REGIONAL COOPERATION IN SOUTH ASIA

Regional Cooperation in South Asia

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Preface

The present move of regional cooperation in South Asia has all the necessary ingredients to emerge as an ideal and genuinely autonomous example of collective self-reliance within the framework of South-South cooperation. Whether it really will, would however depend upon a number of imponderables and unassessed imperatives.

For, regional cooperation is not simply all economic aspirations and rationally designed state actions. It is an outcome of a number of complex and mutually incompatible political, strategic and diplomatic initiatives, responses and interests amongst the states and their managers in a given region. This is what it was when regionalism as one of the most important goals of state policies was pursued by India and its Nehru, in a wider Asian context during the late forties and early fifties. This is what it is also when the initiative taken by the late President Zia ur Rahman of Bangladesh in May 1980 is being gradually carried forward by leaders of the seven South Asian countries viz, India, Pakistan, Bangladesh, Sri Lanka, Bhutan and Maldive Islands.

The continuities and discountinuities between the visions of Nehru and his contemporaries on the one hand and Ziaur Rahman and the present South Asian leaders on the other deserve a serious study and evaluation so that the prospects of the present move may be objectively assessed. Though there is a difference in situations and their thrusts, one of the notable common factors that provided the contexts for both Nehru's and Zia's endeavours was the politico-strategic environment; the cold war then and the new cold war now. It is, however, interesting, as also, somewhat intriguing, that where as Nehru's initiatives suffered fatal setback with some of the Asian

countries, particularly Pakistan joining the Western Powers' led military bloc and indulging in arms buildup, the birth of Zia's proposal has almost been co-terminus with the renewed arms buildup in South Asian region by Pakistan and a compelling desire to show matching response to this by India. One needs to watch with great interest and circumspection as to what tires out first in South Asia, the new arms race or the will and compulsions to co-operate. The two obviously cannot prosper together for a long.

We were motivated to undertake this study after our visits to some of South Asian countries during 1981-1983. During this period we participated in a number of seminar discussions and lectures on the subject in India, Pakistan, Sri Lanka and Nepal. In the process we realized that though the theme of regional cooperation in South Asia evoked considerable interests, expectation and enthusiasm, the awareness about its intricacies was shallow. The subject was too vital and serious. It just could not be ignored with benign indifference. In fact its evolving character is such that it deserves continuing interest and involvement.

A number of institutions and individuals helped us in our study. Jawaharlal Nehru University, New Delhi, the Marga Institute and Bandaranaike Centre for International Studies in Colombo and the Center for the Study of Economic Development and Administration, Kathmandu offered library facilities and provided with forums to try our initial hypotheses and formulations on the subject. The Institute for Defence Studies and Analyses, New Delhi, also provided us with library and office facilities at a very crucial time when the study was being finalized. We have been greatly benefitted by the extensive discussions one of us had with a number of senior foreign service officers of the South Asian countries. Those who deserve special mention are Shri I. S. Chaddha Add. Secy, Shri K. K. Bargava, Joint Secretary and Shri R. K. Kapoor, Deputy Secretary in the Economic Division in India; Shri J. C. Rajapakse, Director South Asia in Sri Lanka; Shri Jagdish Rana, former Foreign Secretary, Shri Bishwa Pradhan, Foreign Secretary and Shri J. P. Rana, Joint Secretary (South Asia) in Nepal. A number of scholars, academics and public men in these countries also shared with us their understanding and views on the subject.

Collection of documents for the book was facilitated by active co-operation of the Diplomatic Missions of the South Asian countries in New Delhi. We are particularly thankful to Mrs. Fauzia M. Sana of the the Pakistan Embassy, Mr. Khanal of the Nepalese Embassy and Mr. Jayant Dhanpal of the High Commission of Sri Lanka. Even after this cooperation and our best efforts we have not been able to include the inaugural address delivered by Nepal's Prime Minister, Thapa, to the second meeting of Foreign Secretaries in Kathmandu (November 1981) and also the statement of Pakistan's Foreign Secretary, Mr. Niaz Naik, at the fourth meeting in Dhaka (March 1983). The statements of the foreign secretaries of the countries other than India and Pakistan have not been included simply because they were not made available to us.

We are grateful to all the above mentioned institutions and individuals. Our thanks are also due to Shri B. L. Pahwa who typed out the manuscript with remarkable speed and accuracy. Finally Shri Surendra Malik of the National Publishing House, New Delhi, not only agreed to publish this study but also put it on priority in his otherwise very tight work schedule. Without his usual spontaneous cooperation the book could not have been brought out on time. Needless to add that all the mistakes and weaknesses of the study are our own.

New Delhi
29 October, 1983

S.D. Muni
Anuradha Muni

Contents

	Preface	(*v*)
ONE	: INTRODUCTION	1
TWO	: MOVES AND INITIATIVES CONCERNING SOUTH ASIA	10
THREE	: THE BANGLADESH PROPOSAL	30
FOUR	: POTENTIALITIES AND IMPEDIMENTS	44
FIVE	: PROSPECTS	67
	DOCUMENTS	75
	(*i*) Joint Communiques of the Foreign Secretaries Meetings	77
	(*ii*) Inaugural Addresses to the Foreign Secretaries, Meetings	91
	(*iii*) Statements Made by the Foreign Secretaries of India and Pakistan at Some of the Meetings of the Foreign Secretaries	107
	(*iv*) Reports of the Committee(s) of the Whole that Met Twice in Colombo on 31 August-2 September 1981, and 10-13 January, 1983	137

Annexure (A) 142
Extracts of the Bangladesh Working Paper of November 1980

Annexure (B) 149
An Indian Note Regarding Areas of Cooperation

Annexure (C) 153
Sri Lanka Working Paper

STATISTICAL TABLES 165
South Asian Countries

POST SCRIPT 182
The Ministerial Meeting

Annexure—PS 1 190
Inagural Address of Smt. Indira Gandhi, Prime Minister of India to the Meeting of South Asian Foreign Ministers, New Delhi, August 1, 1983

Annexure—PS 2 194
Declaration on South Asian Regional Cooperation

Annexure—PS 3 199
Joint Communique

Bibliography 201

Index 208

ONE

Introduction

Regionalism as a phenomenon in international politics has been subjected to theoretical understanding and scrutiny since the beginning of the 1960s. Out of such attempts emerged what is known as the regional integration theory which was said to be concerned with

> ... explaining how and why States cease to be wholly sovereign, how and why they voluntarily mingle, merge and mix with their neighbours so as to lose the factual attributes of sovereignty while acquiring new techniques for resolving conflicts between themselves. Regional cooperation, organizations, systems and sub-systems may help describe steps along the way but they should not be confused with the resulting definition.[1]

The underlying assumption of the theorists appeared to be that the States in a given region would and should eventually attain political unification. A number of variables were identified, reformulated and explained to chart out the processes and predict the patterns of the said unification. Such variables included 'background conditions' (like the size of Units i.e. States, rate of transactions among them, pluralism, elite complimentarity and perception of dependence), 'conditions at the time of union' (like the governmental purpose, external pressures and powers of the Union) and 'process conditions' (like the decision making styles, rate of transaction in the Union, adaptability of governments and external pressures).[2] However, neither these identified variables helped in the proper understanding of the phenomenon of regionalism nor the predictions

made on the basis of the analysis of these variables and underlying assumptions could be upheld and supported by the real world situations.[3] The result was that by the mid-seventies, one of the pioneers and strongest exponent of the regional integration theory, Haas, confessed to its shortcomings and obsolescence'.[4]

The functionalist thrust in the regional integration theory concerned itself mainly with economic and social aspects of regional cooperation activities. Simply defined, it meant that regionalism was collective action at regional level to secure national goals.[5] In the functionalist thrust, unification and the loss of attributes of sovereignty was ignored. Instead, the main emphasis lay on reducing or side-tracking political aspects by initiating regional action on non-political, non-controversial issues at lower or any other appropriate and possible level of decision making authority.[6] The resulting complex web of productive and mutually advantageous interrelationships, which were likely to have different patterns and contents in different situations, could bind the regional state actors into a system of interdependence. Such interdependence was expected to keep political and strategic conflicts subdued in the region by creating such social and economic relationships of profit and advantage that would involve heavy costs if allowed to break or weaken.[7]

The existing theoretical approaches to regionalism when applied to specific third world regions and situations will prove to be, if not totally irrelevant and misleading, at best inadequate. This is due to various factors, the most important of which is that there are vital differences between the situations obtaining at present in the third world regions and those in the West, particularly Europe, when steps towards regionalism were initiated and advanced there. The existing regionalism theory suffers from a European cultural bias as Western Europe has been the main focus and concern in its formulation. Even while studying the third world regions within the framework of this theory, the underlying assumption seems to have been maintained that the European experience or experiment in regionalism will be followed and replicated.[8]

The integration theory including its functionalist thrust, reflects its main preoccupation with the socio-economic interests and pressure groups as the main agents of regionalism. These

agents being well developed and powerful have had been effective in Europe where, to some extent, they even succeeded in putting selective constraints on the Nation State as a principal political actor. As a result, the socio-economic forces, in some limited but significant ways, could transact through the political barriers of sovereignty, nationalism, governmental priorities and bureaucratic procedures. This was possible because the socio-economic productive forces in Europe had reached a certain level of development so as to be able to exercise decisive influence. The productive forces of Europe also enjoyed consider able national and regional autonomy because the continent was not under colonial rule like the third world, and it dominated the world scene through its extended empires rather than being controlled by the external forces. In addition to this, political disharmonies and dissensions in Europe had been sorted out in a series of European conflicts that eventually culminated in the first and the second world wars.

Notwithstanding this, the socio-economic forces and their consequent ideological implications in Europe could transact political boundaries and barriers only *to an extent* and not beyond. If it would not have been so, the goal of political unification through regionalism and economic cooperation as envisaged in the integration theory would have been nearly achieved in the case of EEC (European Economic Community) and COMECON (Council for Mutual Economic Assistance, CMEA). Even after the establishment of the European Parliament and the continuation of NATO for more than three decades, West European states are in no mood to either compromise on their specific political preferences and interests, or get their respective national identities eroded in the name of collective regional good. Similarly, if the attitudes of Poland, Czechoslovakia, Albania and Romania are any indication, political unification is far from being a goal in the East European regionalism. The Nation State and its sovereignty still reign supreme in Europe and whatever adjustments and accommodation it has shown to regional economic pulls, they appear to be more in the nature of concessions and acquiescence than erosion. It, therefore, seems that even in European context, the regional integration theory, while underplaying the role of political factors as compared to socio-economic forces, has not

been sufficiently conscious of, and able to cope with the questions of the potency and depth of the political factors so as to measure the extent to which these forces can be subdued or moulded by the economic forces.

In case of the third world, the primacy of politics is all the more a dominant characteristic of social reality. The socio-economic interests and agents are highly under-developed, very poorly organised and lack considerably in skill and articulation. Their influence in political decision making therefore, is very seldom decisive. The socio-economic sectors of national life, as also foreign policy postures, including those related to regionalism are conditioned and dictated by political concerns and preoccupations more than anything else. Factors like nationalism and sovereignty that generate and reinforce inter-state disputes and strategic discord in a given region are extremely powerful. In the absence of well developed, powerful and autonomous socio-economic forces and agents, the State through the governmental sector plays the most decisive role in all vital decisions. The substance of the governmental functioning and state behaviour is based upon the preferences and concerns of those ruling elites who are in control of the state apparatus. Accordingly, the question of regime stability and political survival eventually dictate the logic and rationale of socio-economic priorities. The economic forces being subservient to their political mentors, are by themselves (when devoid of relevant political linkages) of no consequence. As such, in regionalism moves, incentives of economic gains and the influence of economic agents without their political implications are by and large incidental. This is evident in the functioning of the third world regional groupings in South East Asia, Africa and Latin America.

The casualness towards political dimension of regionalism in the integration theory also makes the theory wanting in the analysis of the strategic/security factor. Even in the case of post-Second War Europe, harmony in strategic perceptions and policies, that emanated from the concern of a common threat resulting from the East-West divide, has been a decisive factor in encouraging European (both East and West) regionalism. It may not be an exaggeration to say that there could not be an OECD (Organisation of Economic Cooperation for Develop-

ment) or EEC in their present form with NATO in Western Europe and similarly, no COMECON could sustain itself without the strength of Warsaw Pact. Thus in European regionalism the role played by the Super Powers has been crucial. And since the U.S. is an extra-regional power for Western Europe, the regional integration theory even while being based upon European experience, ought to have adequately dealt with the role of external powers and forces in the analysis of regionalism. Only a few scholars have devoted attention to the external and strategic/security aspects of regionalism.[9]

In the third world, the external and the strategic factors play an extremely important role. There exists strategic schism and discord in the third world as against harmony and consensus in this respect behind European regionalism. A number of third world states owing to the impact of and their participation in the great power led military pacts and alliances established strategic harmony with these powers to secure military and economic advantages in their disputes and conflicts with their regional neighbours. Thus, the strategic schism in the third world regions, that was created and nursed by colonial legacies, unsettled boundary issues, ethnic discord, political instability and developmental dilemmas and incompatibilities, has allowed a larger than life role to ex-colonial and external great powers in their regional affairs. Backed by their superior military strength, economic capabilities and colonial connections, the external powers have either prompted and encouraged or prevented moves towards regional cooperation in a given third world region at a given period of time, depending upon their strategic and economic objectives in that particular region. Accordingly, a good deal of regionalism in the third world has been North inspired and supported as we shall see later.

No attempt to study regionalism in the third world can therefore be meaningful without proper reference to the factors of the primacy of politics, including strategic/security factors and the role of the external powers and forces. The question of the extra-regional aspect of regionalism in the third world particularly should in fact take into consideration the totality of the external milieu as it impinges upon the affairs of the given region.

When viewed in the wider perspective since the end of the Second World War, the third world at present seems to be witnessing the second generation of regionalism moves and initiatives. This generation started with the beginning of the seventies and it has come up in the form of forging and expanding regional and sub-regional cooperation under the ruberic of South-South co-operation.

The first generation of regionalism moves in the third world sprang up during the first two decades after the end of the second war. This generation was generally a product of the East-West Cold War and most of the moves were prompted and pursued by the West. As we shall see below, even the attempts towards Asian and Afro-Asian resurgence that were initiated and carried forward by the Asian and African states, could not avoid the impact of the cold war and the great power designs. The dominant feature of this generation of moves was the centrality of politico-strategic concerns. This brought into being the groupings and organisations such as the RIO Pact, Organisation of American States (OAS) in the late forties in Latin America and CENTO and SEATO in the fifties in Asia. Such groupings were pushed forward so ruthlessly and assertively that the other attempts towards Asian and Afro-Asian resurgence could not survive.

In addition to these explicit military groupings, the great powers also initiated and encouraged regional cooperation in economic field. But this too was not devoid of security/strategic considerations. This was evident from the fact that such initiatives were taken in those regions of the third world which were significant from the point of view of the East-West strategic concerns for the West. The examples of the Colombo Plan established in 1950 for South and South East Asian countries, perhaps on somewhat similar lines with that of the Marshall Plan for Europe, the Regional Cooperation for Development (RCD) involving Pakistan, Turkey and Iran which was set up in 1966, and the Association for South East Asia (ASA) established in 1961 and was enlarged into the Association of South East Asian Nations in 1967 with the membership of Singapore, Malaysia, Thailand, Philippines and Indonesia, may be recalled in this respect. The Western powers were directly associated with the Colombo Plan. Their support for RCD and ASEAN

was more active but indirect. The principal objective of the West in promoting such economic regionalism was to generate necessary support for their security/strategic concerns and goals in these regions. Gradually, this also led to the creation of such economic dependencies in the third world that could sustain Western economies in an era of declining imperialism.

The second generation of regionalism attempts in the third world has been different from the first in many ways. To begin with, it has two streams, one related to the UN framework under which various regional economic commissions have been set up and the other is outside the UN framework. We shall not deal with the UN sponsored regionalism in this study though it constitutes a very important category of regionalism attempts in the third world. With regard to the regionalism initiatives taken outside the UN framework in the third world, though security/strategic dimension is not entirely absent economic issues have acquired a precedence and prominence. Again, though the great powers, mostly Western Powers, continue to display keen and active interest in the third world regionalism and South-South co-operation, the countries of the third world, unlike in case of the previous generation regionalism, are conscious, active and determined participants. The direct participation of the great powers has been significantly reduced. A great deal of political clout to the present day regionalism in the third world has been provided by the non-aligned movement, the "Group of 77" and the United Nations.

Thus the global context of the second generation of regionalism attempts is not confined to the East-West conflict alone. The context now is provided by the inter-section of the East-West conflict with the dynamics of North-South antagonism. To respond to the pressures of North-South antagonism, the North has also been actively campaiging for such regionalism in the third world, which besides weakening the third world solidarity and united front may also help the North in integrating markets for their goods, technology and capital as well as in coordinating the sources of vital raw materials supply.[10] This raises a pertinent question about the implications of the North's interest and support for third world regionalism. Such support in the past did not lead to the growth of healthy and self-reliant regionalism, and it is not likely to do so in future. The third

world regional cooperation, if it sustains itself on encouragement and support from the North, may become distorted and dependent from the point of view of the third world participants.[11] Any genuine and autonomous attempt to build up regional cooperation in the third world with the aim of achieving collective self-reliance in the developmental process will have to resolve carefully the question of external support in general and that of the North (both North-West and North-East) in particular.

NOTES

[1]Ernst B. Haas, "The Study of Regional Integration: Reflections on the Joy and Anguish of Pre-theorizing", *International Organization*, vol. 24, Autumn 1970, p. 610. (This was a Special Issue on Regional Integration). Also by Haas, *The Uniting of Europe: Political, Economic and Social Forces, 1950-1957*, Stanford University Press, California, 2nd ed., 1968.

[2]Mario Barrera and Ernst B. Haas, "The Operationalization of Some Variables Related to Regional Integration: A Research Note", *International Organization*, vol. 23, no. 1, Winter 1969, pp. 150-60. Philippe C. Schmitter, "Three Neo-Functionalist Hypotheses about International Integration", *ibid.*, pp. 161-6: also his "Further Notes on Operationalizing Some Variables Related to Regional Integration", *International Organization*, vol. 23, no. 2, Spring 1969, pp. 327-36. To this Mario Barrera replied in the next issue of the Journal, pp. 969-70.

For critical comments and other case studies; see Leon. N. Lindenberg and Stuart A. Sheingold, *Regional Integration: Theory and Research*, Harvard University Press, 1971.

[3]For a recent assessment of the theory, see, Charles A. Duffy and Werner J. Feld, "Whither Regional Integration Theory?" in Werner J. Feld and Gavin Boyd (ed.), *Comparative Regional Systems*, Pergamon Press, New York, 1980, pp. 497-521.

[4]Ernst B. Haas, *The Obsolescence of Regional Integration Theory*, Institute of International Studies, University of California, Berkeley, 1975; also his "Turbulent Fields and the Theory of Regional Integration", *International Organization*, vol. 30, Spring 1976, no. 2, pp. 173-212.

[5]James N. Shubert, "Towards a Working Peace System in Asia: Organisational Growth and State Participation in Asian Regionalism", *International Organization*, vol. 32, no. 2, 1978, pp. 425-62, For a standard functionalist definition of the regional integration process, see, David Mitrany, *A Working Peace System*, London, Royal Institute of International Affairs, 1946.

[6]Shubert, n. 5; Joseph S. Nye, *Peace in Parts: Integration and Conflict in Regional Organizations*, Boston, Little Brown, 1971. Also his, *International Regionalism*, Boston, Little Brown, 1968; Stanley Hoffman, "Discord in Community: The North Atlantic Area as Partial International System", *International Organization*, vol. 17, Summer 1963.

[7]Richard Rosecrance and Arthur Stein, "Inter-dependence: Myth or Reality?" *World Politics*, vol. 26, October 1973; Rosecrance et al., "Whither Interdependence?", *International Organization*, vol. 31, Summer 1977, p, 429. Robert O. Kechane and Joseph S. Nye Jr., *Power and Interdependence*, Boston, Little Brown, 1977; also see Henry R. Nau, "From Integration to Inderdependence: Gains, Losses and Continuing Gaps" (A review article), *International Organization*, vol. 33, no. 1, Winter 1979, pp. 119-47.

[8]For example see Schubert, n. 5, James Lawlwer and Jarome Laulichit, "International Integration in Developing Regions", *Peace Research Review*, vol. 3, no. 5, 1970: Aaron Segal, "The Integration of Developing Countries: Some Thoughts on Africa and Central America", *Journal of Common Market Studies*, vol. 2, June 1967. W. Andrew Axline, "Underdevelopment, Dependence and Integration: The Politics of Regionalism in the Third World", *International Organization*, Winter 1977, vol. 31, no. 1, pp. 83-105. Lynn Mytelka, "Regional Integration in the Third World: Some Internal Factors", in *International Dimensions of Regional Integration in the Third World*, University of Ottawa Press, 1975.

[9]Nye, "International Regionalism", n. 6. Hoffman, "Discord in Community", n. 6. Karl Kaiser, "The U.S. and the EEC in the Atlantic System: The Problem of Theory", *Journal of Common Market Studies*, vol. 5, June 1967; also his, "The Interaction of Regional Subsystems: Some Preliminary Thoughts on Recurring Patterns and the Role of Super Powers", *World Politics*, vol. 21, October 1968.

[10]Some of the market integration and other regional cooperation ventures in the third world have been identified in B.P. Menon, *The Bridges Across the South*, Pragen, 1980. Appendix A, pp. 106-22.

For an overview on the North and the third world regionalism see, Hans W. Singer, "North-South and South-South: The North and Intra-Third World Cooperation", *Development and Peace* (Budapest), vol. 3, no. 1, Spring 1982, pp. 5-11.

[11]See for instance Lynn K. Mytelka, "Foreign Aid and Regional Integration: the UDEAC Case", *Journal of Common Market Studies*, December 1973, pp. 139-58, and Constantine V. Vaitsos, "Crisis in Regional Economic Cooperation (Integration) among Developing Countries", *World Development*, June 1978.

TWO

Moves and Initiatives Concerning South Asia

The early and recent attempts at building regional cooperation in South Asia need to be viewed within the framework of regionalism in the third world in general and Asia in particular. The early talk on Asian regionalism came from Japan and many in India and elsewhere were influenced by the Japanese slogan of 'Asia for the Asians'. The Japanese motivations, however, being imperialistic were exposed before and during the second world war as a result of their policies towards Burma, China and Korea.

In India, the leaders of independence movement were enthusiastic about mobilising support from other Asian countries for their own freedom and also to build a movement for Asian resurgence.[1] Representatives of India's freedom movement were signatories to a Manifesto of the Asiatic Delegation at the Paris (Beirville) Congress for Peace held in August 1926, in which it was said: "Let China, India and the rest of the Asia be free. Then you would have built up a family of free people willing to live together in cooperation and more than that, you would have eliminated the most potent causes of war".

The idea of a wider Asian federation of regional grouping in some form or the other was expressed in the Indian National Congress from time to time and a resolution to this effect was adopted as early as in 1928.[2] In a more specific manner, Nehru said in August 1945: "I stand for a South Asian Federation of India, Iran, Iraq, Afghanistan and Burma".[3] Very small countries like Nepal, Bhutan and Maldives Islands did not figure promi-

nently in Nehru's thinking as they were not considered to be viable and effective on their own. A month later, in September 1945, the All India Congress Committee in a resolution on Asian Cooperation said:

> A free India will inevitably seek the close and friendly associations with her neighbouring countries and would especially seek to develop common policies for defence, trade and economic and cultural development with China, Burma, Malaya, Indonesia, and Ceylon as well as the countries of the Middle East.[4]

Such thoughts were shared by other nationalist leaders in South Asia the impact of which became evident in the subsequent attempts towards regionalism in Asia. In the Indian National Congress, Muslim leaders had shown a particular preference for India forging closer links with the Muslim countries of West Asia in what was described as Eastern Federation.[5] The Muslim League picked up the idea and pursued it subsequently. The Muslim League also dissociated itself from the Asian Relations Conference called by Nehru in New Delhi in March 1947 because this was considered as a "thinly disguised attempt on the part of the Hindu Congress to boost itself politically as the prospective leader of Asiatic Peoples". Pakistan, after its coming into being organised, political and economic conference of the Muslim countries though it could not achieve much success in raising the status of these conferences to official and governmental level. Nor could Pakistan become a rallying point of Arab and non-Arab Muslim countries.[6] Its attempts to build up a Pan-Islamic movement were further constrained by its closer alliance with the Western Powers.

Regionalism attempts began with the advent of independence in Asia from the Colonial rule in 1947. Several conferences were held at the initiatives of South and South-East Asian nations between 1947 and 1955, which have been listed in Table I at the end of this chapter. Of these conferences, the Asian Relations Conference held in New Delhi in March 1947, the Conference on Indonesia held in New Delhi in January 1949, the Colombo Powers Conference held in Colombo in April 1954 and the Afro-Asian Conference held in Bandung in April 1955

were significant for the understanding and evaluation of the Asian regionalism during this period. It was, however, only the Colombo Powers Conference which had a majority participation of South Asian countries. This early phase came to an end in 1955 with particular reference to South Asia, though similar attempts continued elsewhere in Asia even during the 1960s.[7]

A close look at the Conference listed in Table I reveals some important aspects of the early attempts at regionalism involving South Asian countries. To begin with, there was a lack of clarity and precision about the region that was to be evolved into a viable grouping for common purposes as is evident from the geographical diversity and variations of the participating countries at these conferences. Nehru, after the Conference on Indonesia, said in Indian Parliament on 8 March 1949:

> We have not yet decided what the region of cooperation might be, because, as I said a little while ago, India is interested in several regions of Asia. Whether all should be grouped together or separately, we do not know. That is for us to consider together and to decide which is more feasible.

Pakistan's gravitation towards South-West Asia and the Islamic countries has already been noted. Notwithstanding the variety and the diversity, there was an attempt to set up a permanent organisational structure. This idea was first mentioned by Sri Lanka's SWRD Bandaranaike to Nehru at the New Delhi Asian Relations Conference (1947). Nehru promptly endorsed it. Even a draft Constitution for such an organisation was prepared by Bandaranaike and Krishna Menon.[8] It was considerably watered down and the Asian Relations Organisation "continued a precarious existence as a non-official organisation" until 1957 when it was quietly dissolved.[9] Ignoring the lack of adequate support in 1947 for the idea and also ignoring the fact that the Second Asian Relations Conference scheduled for Nanking (China) in 1949 was not to materialise, Nehru again brought up the idea of organisational structure at the New Delhi Conference on Indonesia in 1949. His enthusiasm seemed to be influenced by the Western experience as reflected in his observations:

> The Americans have already recognised a certain community of interest and have created machinery for the protection and promotion of common interests. A similar movement is in progress in Europe. Is it not unnatural that the free countries of Asia should begin to think of some more permanent arrangement than this Conference for effective mutual consultation and concerted effort in the pursuit of common aims—not in the spirit of selfishness or hostility to any other nation or group of nations but in order to strengthen and bring nearer fulfilment, the aims and ideals of the Charter of the United Nations.[10]

Nehru, it seems, was impulsive in his observations. The extension of the logic of Western experience and initiative of regionalism to Asia that appeared natural to Nehru, proved unrealistic by the subsequent developments. Because, besides other things, Nehru had not properly accounted for and examined in depth the contrast between the Western and the Asian situations, as we have noted in the previous chapter.

As has already been mentioned, the early attempts at Asian regionalism were dominated by politico-strategic considerations, on the one hand of military pacts and alliances and on the other of decolonisation and Asian resurgence. The agenda of the Conferences (last column of Table I), thrust of discussions therein and the outcome of their deliberations clearly underlined this. Economic aspects of cooperation figured in these conferences only casually and without much success.[11] References to economic cooperation, whenever they appeared, generally did not go beyond platitudes and the expression of pious wishes. In the final communique of the Bandung Conference, full section of twelve paras was devoted to economic cooperation which included recommendations regarding technical cooperation, international finance, commodity trade, nuclear energy for peaceful purposes, joint ventures, exchange of information etc. The Final Communique clearly highlighted the significance of intra-regional cooperation in Asia and Africa and went to the extent of suggesting the setting up of regional banks.

However, none of these proposals were seriously and sincerely pursued after the conference was over. This was mainly due to the politico-strategic preoccupations even of the Afro-

Asian countries and the impact of the Cold War. The great powers, particularly the Western powers had started enlisting Asian countries for the membership of their military alliances. They were very active from behind the scene, in the Conferences on regionalism to campaign for securing strategic understanding and support from among the participants. The moves for Baguio (the Philippines) and the Colombo Conferences (1950 and 1954 respectively) were believed to have been prompted and supported by the Western Powers.[12] Their associations with the Colombo Plan and the Simla Conference (1955) were direct and open.[13]

The Western Powers' involvement with the Asian moves for regionalism and the context of world politics during the early fifties brought the cold war controversies into the regional conferences and divided the participating countries sharply on East-West issues. The Colombo Powers Conference barely avoided a split on the question of threat from communism. Recalling the discussions on the subject, the host Prime Minister Kotelawala of Sri Lanka wrote later:

> Tempers were short and nerves frayed. We were tired men striving to define the area of agreement among us and iron out our differences. It was a difficult task. . . .One of the Premiers lost control of himself, banged the table and shouted at another "You are nothing better than an American stooge". To which the other retorted with equal heat, "And you are nothing better than a Russian stooge." It was at this moment, fraught with tension, that I lost my own temper, as Chairman and exploded. I shouted to them to stop bickering and behave themselves.[14]

Such differences were expressed on a much wider scale at the Bandung Conference.[15] From outside the region, the Western Powers approved most of these conferences and welcomed their outcome. As against this, the Soviet Union voiced its disapproval and criticism.[16]

The last, but not the least important feature of the first generation of regionalism attempts in Asia involving South Asia, was the diplomatic rivalry between China and India, the two most important countries of Asia. The proposed second

Asian Relations Conference in China (Nanking) for 1949 could not be held because of this rivalry. The elements of this rivalry were clearly evident also at the Asian Relations Conference in New Delhi (1947), the Conference on Indonesia at New Delhi (1949) and the Bandung Conference.[17]

Besides opposition from China, India also faced reservations and apprehensions of its South Asian neighbours. For obvious reasons, Pakistan was most unwilling to follow India's lead. Burma and Indonesia were equally skeptical of India's long term objectives. Even Sri Lanka's Bandaranaike, who later as Prime Minister (1956) displayed considerable rapport and understanding with Nehru, cautioned India about its behaviour vis-a-vis smaller neighbours. During his participation in the New Delhi (1947) Conference, in a meassage specially broadcast over All India Radio on 30 March 1947, Bandaranaike said: "India must remember that it is the duty of the great and the mighty to be just and even generous to the small and the weak, and to remove from their minds not only the substance but even the shadow of suspicion and apprehension".[18] John Kotelawala of Sri Lanka even had unpleasant exchanges with Nehru at the Colombo and Bandung Conferences on the latter's alleged over-bearing attitude.[19]

The attitude of small neighbours constrained India from taking initiatives for regionalism after 1949. India almost reluctantly participated in the Baguio Conference (1950) and subsequently let Sri Lanka and Indonesia take initiatives. India's opposition to the military pacts sponsored by the Western Powers, right since the Baguio Conference and specially after the U.S. military aid to Pakistan in 1954, turned it lukewarm towards the ideas of Asian regionalism, which in the then existing context could not avoid cold-war orientation. This appeared to be a complete negation of the principles of non-alignment and peaceful co-existence to which India stood fully committed. Once the U.S. launched its alliance policy, it was also interested in frustrating such initiatives of India and others which aimed at evolving genuine and independent regionalism. The instances of attack on Nehru from the U.S. by Dulles and others, are well known to be laboured here. By 1955, the first generation of regionalism in Asia came to an end and the development that contributed most to this failure was the extension of the cold-

war into Asia.

South Asian countries, with the exception of Pakistan, kept away from military alliances and the cold-war in pursuance of the policy of non-alignment. A pertinent question that may arise here is that why did these non-aligned South Asian countries get involved in the regionalism attempts such as the Colombo Plan, the Colombo Powers Conference, Simla Conference etc. which were inspired and supported by the great powers and had a cold-war orientation. The answer to this question lies in the approaches of India and Sri Lanka towards the global strategic divide during the late forties and the early fifties. During this period Sri Lanka had close defence ties with the United Kingdom. Even otherwise, on the question of the threat posed by global communism, it shared the Western view to a great extent.[20] Moves such as that of the Colombo Plan were, therefore, seen by Sri Lanka as a natural economic response to the ideological challenge posed by Communism. As for India too, the broad appreciation and understanding of the East-West divide in the event of an armed conflict, was closer to the West than to the East during the early years. Nehru wrote at one place:

> If there is a world war, there is no possibility of India lining up with the Soviet Union, whatever else she may do. It is obvious that our relations with the United States as with the United Kingdom in political and economic matters are far closer than with other countries. We have practically no such relations with the Soviet, nor is it likely that they will develop to any great extent for obvious reasons.[21]

Notwithstanding this perception, Nehru was not of the view that "international Communism is aggressive".[22] Accordingly. Communist threat did not call for a military response in the form of pacts and alliances. In Nehru's thinking, the best way to deal with this threat was the "raising of the economic standards" of the Asian countries with the assistance of the Commonwealth.[23] India's membership of this Commonwealth and active participation in the Colombo Plan and the Simla Conference were all manifestations of this approach. Subsequently India's opposition to the Western moves increased manifold

owing to their anti-India posture on the Kashmir question and support and backing given to Pakistan under the U.S. aid and alliance.

As noted above, the first generation of regionalism initiatives in Asia involving the South Asian countries almost came to an end in 1955. Again, Pakistan was an exception which, as already mentioned, joined RCD in 1966. The Western support for RCD was quite well known. Though Pakistan tried to explain its membership of RCD as an attempt to reduce dependence on the West, the other members of RCD did not quite share this view. The Pakistani argument was not quite persuasive because while establishing RCD, all its member countries continued their participation with the U.S. led military pacts such as CENTO and SEATO. Regionalism attempts also continued in South East Asia. It has been mentioned in the previous chapter that in 1961, Association of South East Asian Countries (ASA) was established with the membership of Thailand, Philippines and Malaysia. This was enlarged and renamed the Association of South East Asian Nations (ASEAN) during 1966-67. Western baoking to this grouping was obvious as it conformed to their strategic and economic interests in the region. Most of the members of ASEAN were either the members of SEATO or had close bilateral military ties with the U.S. and/or the U.K.

The symptoms for the rise of the second generation of regionalism attempts involving South Asian countries started appearing by the end of the 1960s and the beginning of the 1970s. India's Commerce Minister, Dinesh Singh, after attending the ECAFE Ministerial Conference at Bangkok told newsmen in Delhi on 17 December 1968 that a "modest action programme" for greater economic cooperation in Asia was in the offing. According to him, such programme was to initially concentrate on increasing agricultural and industrial production and trade and payments arrangements in the region. This programme was hoped to be launched by the middle of 1970. The theme of regional co-operation was pursued by Mrs Gandhi during her visits to Burma (March 27-30), Afghanistan (June 5-10) and Indonesia (June 28-July 2), in 1969. The joint communique issued to mark Mrs Gandhi's visit to Indonesia called for the "promotion of economic cooperation between nations of the

Asian region. Such cooperation was necessary to further consolidate peace and stability in the region and to give meaningful expression to economic and social progress."[24] In July '69 Afghanistan approached India, Iran, the Soviet Union, Pakistan, Turkey and Nepal for holding a Regional Transport Conference for facilitating land transport and trade among these countries through mutual cooperative actions. Earlier, in a meeting of the Indian envoys in West Asia held in New Delhi on 27 May 1969 the need for building up economic and trade relations between India and the countries of the region was stressed. On 2 September 1969, Asia Coconut Community was inaugurated in Colombo.

There were several developments that collectively influenced and affected the rise of the second generation regionalism in Asia. Of the important ones, one was the continuing role of the great powers and their politico-strategic concerns. This was evident in the increased activities of the great powers in the Indian Ocean region around the late 1960s and the early 1970s. The U.S. started revamping its ties with South East, Far East and West Asian countries. In South East Asia, U.S. President Nixon paid a visit to Indonesia on 27/28 July 1969. Relations with Thailand and the Philippines were also reinforced. Such revamping of relations was necessitated by many factors like the British withdrawal from South-East Asia, the new U.S. approach (the so-called Nixon doctrine) to let the South East Asian countries share in the task of ensuring security of the region, the deepening U.S. involvement in Vietnam and the beginning of the U.S. rapprochement with China. In response to the increased U.S. activities in the Indian Ocean region, the Soviet Union also made new moves. It sounded both Singapore and Malaysia for establishing defence ties. Brezhnev's proposal for collective security was also made during this time. Further, the Soviet Union started prompting South and South West Asian countries to start regional cooperation. Soviet Premier Kosygin visited Afghanistan and Pakistan in May 1969. In Pakistan he said on 30 May:

> We should like to see Pakistan, Afghanistan and India developing relations of friendship and constructive cooperation. The Soviet Union would do all it can on its part

to promote this.[25]

It was in this undercurrent of renewed rivalry and competition between the two Super Powers that India's suggestion to set up a committee of the region's Finance Ministers went unheeded. India's another proposal made to South and South East Asian countries, in the middle of 1969 to conclude a Regional Security convention with the endorsement of all the concerned major powers, also did not make any headway. India's own security concerns with China and its growing ties with the Soviet Union in all fields* eroded the credibility of India's initiatives. The point to be underlined here, however, is that while the increased activities of the great powers provided a fresh impetus to regionalism in the Indian Ocean region, the same development did not allow any Indian initiative to take off the ground.

Another important factor behind the second generation of regionalism attempts was that by the end of the sixties, the process of decolonisation had significantly advanced in Asia and Africa giving rise to considerable growth in the economic consciousness of the third world. This consciousness was further encouraged by the fast expanding UN activities in economic field through the UNCTAD set up in 1964 and various regional economic commissions. The third world's sense of economic insecurity was heightened by the work done by these commissions and the UNCTAD as also by the indifference shown by the developed world towards the problems of development in the third world. Urgency and seriousness was injected in this sense of economic insecurity by other developments in world economy such as the crisis of the U.S. dollar in 1971. This was quickly followed by the 'oil crisis' resulting from the OPEC decision to substantially increase oil prices in 1973. The OPEC action, while worsening the already precarious economic situation in the third world also provided a ray of hope that collective economic action by determined group of countries may tremendously increase their bargaining strength in economic matters.

*It was disclosed later in 1971 by India's then Foreign Minister, Swaran Singh, that talks for Indo-Soviet Treaty of Peace and Friendship concluded in August 1971 had been initiated two years earlier, i.e. in the middle of 1969.

Subsequently, the goal of a New International Economic Order was adopted by the world body, the UN, on 1 May 1974. Then on we find increasing emphasis in the UN and in Non-aligned Conference on economic issues, including regional cooperation as a means to achieve genuine collective self-reliance in the third world.

Of particular interest to us here is that with these global compulsions and conducive factors there were important changes in South Asia that helped create favourable atmosphere for regional cooperation initiatives. Politically, the South Asian State system was radically altered with the emergence of Bangladesh in 1971. As a result of India's involvement in the emergence of Bangladesh and what it meant for Pakistan, a great deal of conflict potential in the subcontinent, particularly between India and Pakistan got eroded at least for some years to come. These two countries eschewed taking resort to arms in their bilateral relations under the Simla Agreement concluded in July 1972. India also signed a Treaty of Peace and Friendship with Bangladesh. With Sheikh Mujibur Rehman being at the helm of affairs in the new Republic, the prospects for bilateral cooperation between the two countries appeared to be encouraging.[26] Yet another positive factor was the growing rapport and understanding between India and Sri Lanka since 1971 which led to the resolution in 1974 of the long standing issue of the ownership of Kachchativu.[27]

Though the idea of regional cooperation did not pick up immediate momentum in South Asia, generally improved political atmosphere in the subcontinent proved conducive to the Iranian initiative to reactivise and strengthen RCD by extending it, if possible, to India and Afghanistan. Iran had taken this initiative even before the political changes took place in the subcontinent. The Shah had his own ambition to project himself and Iran as a great Asian leader. In January 1969, the Shah of Iran visited India on a 12-day long programme. In a news conference in New Delhi on 4 January 1969, the Shah observed that there were "unlimited possibility" of enhancing Indo-Iranian cooperation. He declared that RCD was not an exclusive body despite its members' strategic relations with each other and the U. S. He felt that India, not only *could* join it but *would* join it in due course. As for Indo-Pakistani relations, he

strongly urged that these relations be improved. He said that "he would be the happiest man in the world if he could do something to bring India and Pakistan together".[28]

Pakistan was naturally not enthusiastic about the Iranian move of expanding RCD so as to involve India and Afghanistan, two of its traditionally hostile neighbours in regional cooperation. Pakistan's contention was that RCD could be "strengthened without expanding" it.[29] India too considered it undesirable to formally join a grouping like RCD which, in politico-strategic terms had a clear pro-West orientation. However, Indo-Iranian political understanding and economic cooperation significantly advanced under the Iranian initiative. Khudremukh iron-ore project in India with Iranian financial support was the most important example of this cooperation. India's dependence upon the Iranian oil supplies and lure of the expanding job market for Indian skilled and semi-skilled workers and engineering and other firms resulting from the Shah's new modernization schemes were also very significant aspects of this bilateral cooperation. Indo-Pakistani relations also improved following the Simla Agreement (1972) and the rapport established between Pakistan's new leader Bhutto and India's Mrs Gandhi. Both of them separately had amicable relationship with the Shah. India and Pakistan restored their trade and communication relations between 1973 and 1976 and the overall atmosphere between them appeared to be relaxed. However, Bhutto had his own internal compulsions to be slow and half-hearted in carrying forward the Simla spirit. In this regard, Mrs Gandhi observed recently that internal conditions in Pakistan and bilateral relations between India and Pakistan would have developed positively if Bhutto had adhered to the Simla spirit.[30] Afghanistan also seemed responsive to greater regional cooperative action. Afghan initiative to hold a regional conference for cooperation in transport has been mentioned above. The Asian Highway project for India-Pakistan-Afghanistan-Iran sector was cleared by ECAFE during this period. South Asian meeting on employment strategies and regional travel and tourism prospects respectively in February and March 1976 were also important events in this respect.[31]

The Iranian initiative could not take the shape of a regional move in South and South-West Asia. Relationships remained

essentially bilateral though an atmosphere of regional feeling was generated. This initiative received a serious jolt with the unexpected regime changes in India and Pakistan in which both Mrs Gandhi and Bhutto were thrown out of power, the former through an electoral process and the latter by a military take-over. Soon after this, the Shah also ran into trouble in Iran and had to abdicate eventually in February 1979. These developments clearly underlined the importance of personalities and political regimes as well as that of external milieu and inducements in a regionalism attempt in the third world.

The Iranian initiative fizzled out but the hope of establishing co-operative relationship in the region survived. The pressures of international economy and persuation of the non-aligned movement in favour of regional cooperation continued to impinge upon South Asian and other third world regions. Politically, the changes in Indian and Pakistani regimes in 1977 were coincided by a similar regime change in Sri Lanka when Mrs Bandaranaike's government was replaced by the United National Party (UNP) led by J.R. Jayawardene. In Bangladesh, President Zia-ur Rahman, entrenched himself in power by 1977 after a series of coups and counter-coups that followed the violent overthrow of Mujib and his Awami League in August 1975. All these new regimes in South Asia were characterized by pro-Western strategic orientation on global issues. They displayed new styles in dealing with each other which created an extremely cordial political atmosphere in the subcontinent and generated considerable enthusiasm for greater regional harmony and cooperation. Some of the South Asian regimes like that of the Janata Party in India, Zia-ul Haq in Pakistan and Jayawardene in Sri Lanka had just come to power and were still in the process of evolving strategies of domestic political consolidation against their otherwise well entrenched and still powerful adversaries. The new regimes, therefore, needed each other's help, support and understanding in securing their respective internal legitimacy and credibility. Judicial and social campaigns launched against Mrs Gandhi in India, Bhutto in Pakistan and Mrs Bandaranaike in Sri Lanka to contain each one of them politically may be recalled in this respect. In official statements during Indian Prime Minister Morarji Desai's visit to Sri Lanka in February 1979 the host

Prime Minister referred to "dark regimes of misrule which both countries rejected".

Apart from political compulsions on the new regimes the economic crisis was deepening in South Asia. In 1974-75 the real growth rates touched a new low of 2.2 per cent as against the population growth of 2.4 per cent. It became extremely difficult for South Asian countries to sustain growth rate of food production even at the level of 2 per cent and this situation continued through 1978.[32] Some signs of respite appeared in 1979 but then the impact of the "second oil shock" in 1979-80 further dampened the economic outlook. The share of oil in the total import bill rose significantly from 26 per cent in 1970 to 34 per cent in 1980 in case of India. As for other countries, the idea of worsening balance of payments can be had from the following figures:

(*in US $ millions*)

Country	*Year*	*Balance of Trade*	*Current Account Balance*
Bangladesh	1973	(—) 543.0	(—) 632.8
	1980	(—) 1,556.9	(—) 1,821.5
Pakistan	1972	(—) 233.4	(—) 523.1
	1980	(—) 2,881.1	N.A.
Sri Lanka	1970	(—) 14.2	(—) 69.9
	1980	(—) 783.3	535.4

Source: UN *Handbook for International Trade and Development Statistics*, 1981.

Economic inequalities widened in the subcontinent under new pressures. The richest twenty per cent of the population received only 16 to 17 per cent of GNP in India and Pakistan and 19 to 20 per cent in Bangladesh and Sri Lanka.[33] Such economic conditions naturally threatened to disturb the delicate socio-political balance which could produce highly undesirable consequences. With frustrating prospects at the global economic level, including North-South negotiations, South Asian countries had enough compulsions to look inward the region and towards each other in order to seek new options for preparing themselves to meet the then prevailing challenges.

TABLE I

Early Attempts at Regionalism in Asia

S. No.	Conference	Countries participated	Issues discussed
1.	Asian Relations Conference, March 28, 1947, New Delhi*	Afghanistan, Bhutan, Burma, Sri Lanka, China, India, Indonesia, Malaya, Nepal, Mongolia, Iran, The Philippines, Siam, Tibet, Turkey, Vietnam, Egypt, Palestinians, and Soviet Central Asian Republics**	Freedom Movements in Asia. Racial Problems and Inter-racial Migration, Cultural Affairs, Agriculture and Industry
2.	Conference on Indonesia, January 1949, New Delhi	Afghanistan, Australia, Bhutan, Burma, Sri Lanka, Egypt, Ethiopia, India, Iraq, Iran, The Philippines, Saudi Arabia, Syria, Yemen, Pakistan, China, Nepal, and Thailand	Dutch action on Indonesia and the settlement of the Indonesia question, Machinery for continuous contacts
3.	Baguio Conference, May 1950, Baguio (Philippines)	Australia, Sri Lanka, India, Pakistan, The Philippines, Thailand and Indonesia	Economic and cultural cooperation in Asia, collective security in Asia
4.	Colombo Plan, formally launched on 1 July 1951 as a result of the meetings of the Ministers of Independent British Commonwealth countries in Sydney and London in 1950	India, Pakistan, Sri Lanka, United Kingdom, Canada, Australia, New Zealand (subsequently joined by many others)	Economic and Technical cooperation

5. Colombo Powers Conference April 1954, Colombo	Sri Lanka, Burma, India, Indonesia and Pakistan	Indo-China situation and other Asian crises, Hydrogen Bomb, Economic cooperation
6. Afro-Asian Conference, April 1955, Bandung (Indonesia)	Afghanistan, Burma, Cambodia (Kampuchea), Central African Federation, Sri Lanka, China, Egypt, Ethiopia, Gold Coast, India, Indonesia, Iran, Iraq, Japan, Jordan, Laos, Lebanon, Siberia, Libya, Nepal, Pakistan, The Philippines, Saudi Arabia, Sudan, Syria, Thailand, Turkey Vietnam (North and South Yemen)	Economic and Cultural cooperation, problem of national sovereignty racialism and colonialism, Afro-Asian contribution in World Peace
7. Simla Conference, May 1955, Simla (India)	India, Cambodia, Indonesia, Laos, Japan, Nepal, Pakistan, the Philippines, Thailand, Vietnam (South), Malaya, Singapore, British Borneo.***	Utilization of U.S. special allocation of US$ 200 m.

* The second such Conference scheduled for China in 1949 was not held.

** In March 1947, Pakistan had not been created. The Indian Muslim League dissociated itself from the Conference and viewed this as a "thinly disguised attempts on the part of the Hindu Congress to boost itself politically as the perspective leader of Asiatic peoples".

*** Sri Lanka and Burma were invited but they declined to participate. Burma was not a recipient of the U.S. aid and Sri Lanka did not relish the idea of India being a link between itself and the U.S.

Note: Except for the Bandung Conference, all other attempts were welcomed by the Western Powers and disapproved by the Soviet Union.

The twin factors of economic pressures and political congeniality had a benign impact on the propensity to work towards regionalism in South Asia. Another very significant conducive factor in this regard was the interest shown by the Western powers in encouraging cooperative relations in South Asia. The U.S. President Carter and the British Prime Minister Callaghan visited India, Pakistan and Bangladesh in January 1978, after the regime changes in the subcontinent. These Western leaders talked of peace, amity and co-operation in the region. They made specific offers of economic help if South Asian countries could work out multilateral co-operative projects such as the harnessing of water resources of the Ganges and Brahmaputra river by India, Nepal, Bangladesh and possibly China.[34] It was interesting to note the inclusion of China in their statements on regional cooperation in South Asia on the basis that river Brahmaputra originated from China.

The combined impact of all the conducive factors on South Asian regionalism was evident in many ways since the middle of 1977. The Foreign Minister of Bangladesh paid a visit to Sri Lanka in November 1977 after the UNP government's coming to power. Foreign Minister Hameed of Sri Lanka in his talks with the visiting dignitary called for the establishment of a regional Asian grouping, including an Asian Common Market. Both the ministers were of the view that greater economic cooperation in the South and South East Asian region was in the interest not only of the millions in the region but also of easing of tensions in the area.[35] King Birendra of Nepal while inaugurating the Colombo Plan consultative meeting in Kathmandu in December 1977 urged for cooperation among Asian countries such as Nepal, China, Bhutan and Bangladesh.[36] On 20 April 1978, the President of Singapore during his official visit to Sri Lanka disclosed in a press conference in Colombo that he had discussed with President Jayawardene, besides many other things, the subject of Sri Lanka joining ASEAN. He expressed the hopes that Sri Lanka would be able to do so in due course of time. Here one may take note of Sri Lanka's inclination to have links with the ASEAN and Nepal's interest in involving China while talking about regional cooperation in South Asia.

In the improved climate for regional cooperation, a number of high level visits were exchanged in South Asia between 1977 and 1978. There was a marked stress on mutual bilateral and multilateral cooperation in the deliberations of the leaders during these visits. The Janata Government of India described its policy towards the South Asian neighbours as that of "beneficial bilateralism". Among other things, Salal Dam agreement with Pakistan, Farakka Water sharing agreement with Bangladesh, new trade and transit treaties with Nepal and accord on matters related to trade and joint ventures with Bhutan and Sri Lanka were mentioned as the achievements of this policy.[37] There was a better appreciation of India's policy in the region by South Asian neighbours, who amongst themselves also had greater productive bilateral relations. Even at the UN and international conferences, South Asian countries had more mutual consultations and contacts on the various economic issues of common interest. It was against the background of these developments that the Bangladesh initiative for setting up a forum for regional cooperation in South Asia was taken.

NOTES

[1]See Jawaharlal Nehru, *Autobiography*, London, 1940; Werner Levi, *Free India in Asia*, Minneapolis, University of Minnesota, 1952; Bimla Prasad, *Origins of India's Foreign Policy*, Calcutta, 1980; Sisir Gupta, *India and Regional Integration in Asia*, Bombay, 1964. For text of Documents see S.L. Poplai (ed.), *Asia and Africa in the Modern World*, Bombay, 1955.

[2]Bimal Prasad, n. 1; B.G. Ghokle, "India's Role in Asia", as quoted in Sisir Gupta, n. 1.

[3]As quoted in J.S. Bright (ed.), *Before and After Independence*, (Collection of Nehru's speeches, 1922-50), New Delhi, 1950.

[4]Bimal Prasad, n. 1; N.V. Raj Kumar, *The Background of India's Foreign Policy*, AICC, New Delhi, 1953.

[5]Bimal Prasad, n. 1, pp. 69, 72.

[6]On Pakistan's attitude towards regional integration in Asia see Sisir Gupta, n. 1, Appendix, pp. 121-48.

[7]James N. Shubert, "Towards a Working Peace System in Asia: Organisational Growth and State Participation in Asian Regionalism", *International Organisation*, vol. 32, no. 2, 1978, pp. 425-62.

[8]S.W.R.D. Bandaranaike, *Speeches and Writings*, Government Press, Ceylon, 1963, pp. 353-54.

[9]Sisir Gupta, n. 1, p. 37.

[10]India, *Jawaharlal Nehru's Speeches, 1946-49*, Publications Division, New Delhi, 1949, p. 329.

[11]Lalit Prasad Singh, *The Politics of economic Co-operation in Asia*, University of Missouri Press, Columbia, 1966, Chapter I, pp. 3-12.

[12]Sisir Gupta, n. 1; Werner Levi, n. 1.

[13]Lalit Prasad Singh, n. 11, Chapters I and IX.

[14]John Kotelawala, *An Asian Prime Minister Story*, George G. Harrap and Co. Ltd., London, 1956, p. 124.

[15]Charles P. Romulo, *The Meaning of Bandung*, 1955; *Asian-African Conference* (1955), (ICWA Library, No. V4: 1, p N55); Mohamed Abdel Khalek Hassouna, *The First Asian-African Conference held at Bandung*, Indonesia, Ap. 18-24, 1955 (Report submitted to the League of Arab States), 1955; Richard Wright, *The Colour Curtain*, (A report on the Bandung Conference), London, 1955.

[16]Sisir Gupta, n. 1.

[17]*Ibid.*, Werner Levi, n. 1.

[18]Bandaranaike, n. 8, p. 351.

[19]Kotelwala, n. 14, p. 187. For the small neighbours' apprehensions vis-a-vis India, also see Lalit Prasad Singh, n. 11.

[20]H.S.S. Nissanka, *The Foreign Policy of Sri Lanka*, (Under S.W.R.D. Bandaranaike), Department of Information of the Government of Sri Lanka, 1976; S.U. Kodikara, *Foreign Policy of Sri Lanka*. (A Third World Perspective). Chanakya, Delhi, 1982, Chapters 4 and 6.

[21]Nehru's Notes on Foreign Policy, 7 February 1950, as quoted in Sarvapalli Gopal, *Jawaharlal Nehru—A Biography*, vol. 2, 1947-56, p. 64.

[22]*Ibid.*

[23]*Ibid.*, p. 65.

[24]*News and Review*, Institute for Defence Studies and Analyses, No. Bor 2/69, July 1969 Section on 'Indonesia'.

[25]*The Times of India*, 31 May 1969.

[26]Mohammed Ayoob, *India, Pakistan and Bangladesh: Search for a New Relationship*, ICWA, New Delhi, 1975.

[27]S.D. Muni, "Kachchativu Settlement: Befriending Neighbouring Regimes", *Economic and Political Weekly*, vol. ix, no. 28. 13 July 1974.

[28]*The Times of India*, 5 and 14 January 1969.

[29]*The Dawn* (Karachi), 29 May 1980.

[30]*The Statesman*, 12 June 1983.

[31]*The Times of India*, 24 February 1976; *The Rising Nepal* (Kathmandu), 17 March 1976.

[32]World Bank figures as quoted in *Economic Times*, 24 August 1975; *Bangladesh Times*, 27 November 1976; *Financial Express*, 14 September 1978; and *The Times of India*, 2 September 1978.

[33]ESCAP Survey as quoted in *The Times of India*, 8 March 1982; *The Statesman*, 9 March 1982; *The Dawn*, 12 March 1982. Also see *Financial Express*, 24 September 1979.

[34]See Callaghan's statement in the British Parliament on his visit to the subcontinent from 3 to 13 January 1978; *The Times* (London), 17 January 1978; for the text of President Carter's speech, see *Foreign Affairs Record*, Ministry of External Affairs, New Delhi, January 1978, pp. 43-47.

[35]*Ceylon Daily News*, 17, 18 and 19 November 1977; *The Muslim* (Islamabad), 19 November 1977.

[36]*The Times of India*, 7 December 1977.

[37]For a critical evaluation of India's 'beneficial bilateralism', see S.D. Muni, "India's Beneficial Bilateralism in South Asia", *India Quarterly*, vol. 34, no. 4, December 1979, pp. 417-33.

THREE

The Bangladesh Proposal

The present move for regional cooperation among the seven South Asian countries was set afoot by a proposal made by the late President Zia-ur-Rahman of Bangladesh in May 1980 in which he called for a Summit meeting of the leaders of the seven South Asian countries. The purpose of such summit was to "explore the possibilities of establishing a framework for regional cooperation". President Zia argued that such co-operation was taking place in all the regions of the world, in particular the third world and the rationale for this in South Asia lay in the fact that:

> The countries of South Asia share many common values that are rooted in their social, ethnic, cultural and historical traditions. Perceptions about certain specific events or political situation of the world may differ but such differences do not seem to create a gulf between them that cannot be bridged.

The Bangladesh President was working on this idea for nearly two to three years before giving it a concrete shape and announcing it. The issue was broached with the Indian leaders when he visited India in December 1977 and his visit was returned by Prime Minister Morarji Desai on April 15-17, 1979. It, however, could not be anticipated that the Janata rule in India was on its way out. Subsequently when Mrs Gandhi came back to power in January 1980, the Bangla leader approached her on the subject. In January 1978 during the visit of King Birendra of Nepal to Bangladesh, President Zia welcomed the King's call for close regional cooperation made by him a month earlier.

He underlined the area of sharing river waters in particular for such cooperation.[1] It seems that the Bangladesh leader gave a final shape to his proposal after visiting Sri Lanka in November 1979 and having discussions with Lankan President J.R. Jayawardene. Both the leaders had then referred to ASEAN which, they thought, could possibly form the basis on which the framework and the pattern of the South Asian forum would be prepared.

The timing of the proposal was influenced by many factors. The most important was the developments in Afghanistan, where the Soviet military intervention had suddenly enhanced the strategic significance and the security concerns of the countries of the region. Reference to different political perceptions and the need to generate a "climate of harmony" in Zia's letter quoted above on the subject of regional cooperation can be better appreciated in the background of the Afghanistan situation. This was so, notwithstanding the fact that President Zia, later during his visit to Nepal in April 1981, denied that his proposal was directed against the Soviet Union and that "the idea of regional Summit came long before the Afghan political development" took place.[2] The régime changes in India since mid-1979 could also be a factor that delayed the announcement of the proposal. Above all, President Zia was facing internal political pressures from rightist forces within Bangladesh which perhaps necessitated a bold foreign policy initiative that could make the neighbours more understanding and helpful towards his regime.

The proposal was promptly endorsed by Nepal, Sri Lanka, Maldives and Bhutan. But there was reticence on the part of both India and Pakistan. In India, Mrs Gandhi's new government accepted the proposal "in principle" but did not want to spontaneously endorse the whole move without proper scrutiny since the proposal had, in reality, been worked out in consultation with the previous rival regime of the Janata Party. This was also the time when India had experienced isolation in the region on some of the vital world issues of its concern namely Afghanistan, Kampuchea and the Indian Ocean. On all these issues, India's position was contrary to that of its neighbours. Relations between Mrs Gandhi's government and that of the neighbouring countries particularly of the two Zias on India's east and west, were not very happy. Therefore, there were misgivings in Delhi

that through the proposed regional forum, the neighbours would collectively try to isolate India on global issues and contain India's position in South Asia by putting pressures on it in order to improve their respective bargaining position in relation to bilateral and regional issues with India. Above all, the proposal of a Summit level meeting as the first step for initiating regional cooperation without any groundwork done sounded unrealistically ambitious to the Indian side.[3]

Political implications and strategic underpinnings, if any, of the Bangla proposal needed a careful study and evaluation in New Delhi. More so because the form and the context in which this proposal was mooted were important. President had drawn comparison between his proposed South Asian forum and ASEAN and this had obvious strategic connotations owing to ASEAN's pro-West orientation. He had also referred to the concern for "peace, stability and security" in the subcontinent while defining his proposal. Subsequently, the working paper prepared by Bangladesh on President Zia's proposal gave high priority to political and strategic objectives behind it. The proposed draft declaration included in the Bangladesh working paper said:

> Convinced of the benefits that will accrue from greater regional cooperation among the countries of South Asia, Seeking to promote peace and stability in the region through adherence to the principles of the United Nations and of Non-alignment, Determined to uphold respect for the principles of sovereignty, national independence, territorial integrity, non-interference in one another's internal affairs, non-use of force and peaceful settlement of disputes; . . . have decided to establish. . .[4]

What further added to India's initial reservations and extremely cautious approach towards the Bangladesh proposal was the Western support and approval behind the move. The Western offer of financial support to regional cooperation in harnessing river water resources made at the time of Western leaders' visit to the subcontinent in 1978 has already been mentioned in the previous chapter.

Of greater significance was the U.S. objective of building up

a "cooperative regional security framework" in South and South-West Agian regions which was disclosed in the State of Union address of President Carter on 23 January 1980. The Soviet military move in Afghanistan naturally provided the immediate rationale for this-approach. The approach of "co-operative regional security" was explained by the Secretary of State, Cyrus Vance and National Security Adviser to the President, Zbigniew Brezezinski.[5] Both Brezezinski and Dy. Secretary of State, Warren Christopher, visited Pakistan and made an offer of U.S. arms and other assistance to help Pakistan meet the situation arising out of the Soviet military presence in Afghanistan.[6] Almost simultaneously, President Carter sent Clark Clifford who was a former Secretary of Defence, as his personal emissary to India to take stock of the situation. Clifford persuaded India to "evolve a regional approach" with Pakistan, "to the fundamentally changed situation which the whole region" now faced.[7] Thus the situation in Afghanistan was used by the U.S. to provide a security dimension to regional co-operation in South and South-West Asia. Bangladesh President Zia, who had earlier asked for progressive reduction of arms in South Asia (see his statement during King Birendra's visit to Bangladesh in January 1978 and also subsequently) now saw reason and justification in the supply of the U.S. arms for Pakistan. Keeping these developments in mind, India's Foreign Minister, Narsimha Rao, asked the U.S. to keep off the strategic and security aspects from the regional cooperation move.[8]

Lack of enthusiasm for the Bangladesh proposal from Pakistan was based on different consideration. Pakistan, perhaps, had an erroneous perception that the move was prompted by India and that in view of India's greater economic potential and scientific and technological capabilities, the attempt was to ensure regional market for Indian products. This, Pakistan thought, would lead to the consolidation and further strengthening of India's economic dominance with its consequent political implications in the region.[9] Accordingly, Pakistan became afraid of losing its political stance in the subcontinent by joining this move of regional cooperation, without resolving its bilateral issues with India, particularly that of Kashmir, to its advantage. Underlining the importance of existing differences in foreign policy orientations and unresolved bilateral disputes in

South Asia, *Dawn* (Karachi) observed:

> The absence of serious bilateral conflicts and the existence of a sense of common political purpose are two essential starting points for an undertaking aimed at regional co-operation. . . . If the Bangladesh idea is anything other than informal forum for consultation and if moves are to be made to institutionalize and formalize the arrangement, it is certain to run into snags.[10]

Pakistan was also apprehensive that its deeper involvement with the South Asian region, which was to be a natural outcome of the Bangladesh proposal, could weaken the credibility and drive of its policy option to cultivate and harness mutually profitable relations with the South-West Asian region in the emerging strategic and economic situation there. It may be recalled that Pakistan's relations with Saudi Arabia and other traditional regimes in the Persian Gulf had become deep and extensive following the fall of the Shah in Iran.

The Indian and the Pakistani reservations were based upon their respective perceptions of national interests and how they were to be adversely affected by the suspected intentions and motives behind the Ziaur Rahman's initiative. There was, however, nothing apparently objectionable in the proposal that in essence called for regional harmony and cooperation aimed at economic development in the compelling regional and international contexts. Therefore, India and Pakistan could not outright reject the proposal either. They instead sought to modify it so as to accommodate their respective apprehensions and requirements. This was done in a series of exchanges of views that took place following the announcement of the proposal. The South Asian Foreign Ministers also discussed this subject at the UN Headquarters in New York during August-September 1980. The consensus that finally emerged among them was to have a meeting at the level of foreign secretaries which could prepare ground for the ministerial meeting that could subsequently lead to a summit. The seven South Asian countries involved in the exercise were India, Pakistan, Bangladesh, Sri Lanka, Nepal, Bhutan and Maldives. It was decided to keep the bilateral and politically controversial issues out of

the purview of the foreign secretaries meeting. Bangladesh was entrusted with the responsibility of preparing the draft of a working paper which could be discussed at the first meeting of the Foreign Secretaries.

Bangladesh prepared and circulated the draft paper in November 1980. It had three important features.[11] First of all, the objectives of regional cooperation were defined in very wide terms. The priority given to political and security objectives has been noted above. The scope of cooperation was not viewed as confined narrowly to economic matters but as "promoting active cooperation among countries of the regions on matters of common interest in the economic, social, cultural, technical and scientific as well as in such other fields as may be agreed upon. . .". Wider scope was envisaged not only in the areas of cooperation but also in terms of geographical extent because one of the objectives identified in the draft was to "explore all avenues of closer cooperation between the countries of South Asia and the other regional and international organisations with similar aims and objectives".

The second feature of the Bangladesh draft was that it identified eleven specific areas of cooperation. These were considered as "non-political" and "non-controversial" items. The areas were: shipping, aviation, tourism, telecommunication, meteorology, agriculture and rural development, joint ventures, land transport, trade (market promotion in selected countries), science and technology and education, and culture." Finally, the draft suggested various institutional and organisational aspects of regional cooperation. The emphasis was on a summit of the heads of governments though it was accepted that way for the summit could be prepared by the meetings of foreign secretaries and foreign ministers. The Bangladesh draft clearly reflected awareness of the difficulties envisaged in setting up a well structured institutional framework for cooperation when it observed:

> Barriers; both historical and emotional will have to be scaled and lingering suspicion and distrust will have to yield place to a renewed spirit of understanding and goodwill. A meeting at the summit level would be the most appropriate forum for such a major initiative in embarking on a new and

challenging venture. . . .

The Bangladesh draft paper formed the basis of discussions at the first meeting of the seven South Asian foreign secretaries held in Colombo from 21 to 23 April 1981. Following this, three more meetings of the foreign secretaries have taken place so far in Kathmandu (November 1981), Islamabad (August 1982), and Dhaka (March 1983). The Dhaka meeting decided to hold the first ministerial meeting in Delhi in August 1983. Through these four meetings, foreign secretaries did considerable ground work on two major aspects of the regional cooperation move.

The first is the organisational aspect. Though no organisational forum has been defined precisely and finalized yet, it was agreed at the last meeting in Dhaka that they were progressively advancing towards a "framework for structured regional cooperation in South Asia".[12] By the fourth meeting, three to four tiers of organisational structure had become identifiable. A summit meeting of the South Asian heads of governments may be mentioned as the first though this aspect has so far remained informal because a final decision in this respect could be taken only by the ministerial meeting and it could be an act of impropriety on the part of foreign secretaries to anticipate and put it down in their official joint communique as to what the ministerial meeting was to decide. The second tier in descending order was of course the ministerial meeting which is now scheduled to have its session in New Delhi on 1-2 August 1983. At the third tier was the foreign secretaries meetings. The four meetings held at this level were assisted by the two Committees of the Whole which met on both occasions under Sri Lanka's chairmanship in September 1981 and January 1983 respectively. (Reports included in Documents.) In pursuance of the decisions of the January 1983 meeting of the Committee of the Whole, the Dhaka meeting decided to entrust the responsibility of the foreign secretaries meeting and the Committee of the Whole put together to one unit redesignated as "Standing/Review Committee" and constituted by foreign secretaries. This was to meet once in a year for "coordinating and monitoring the Integrated Programme of Action". The terms of reference of the Standing/Review Committee included:

(*a*) Approval of projects/programmes including their modalities of financing.
(*b*) Determination of inter-sectoral priorities and overall coordination of programme of action.
(*c*) Mobilisation of regional and external resources.
(*d*) Review of progress of implementation of sectoral programmes of action.
(*e*) Identification of new areas of cooperation based on appropriate studies.

This Standing/Review Committee was to work under the overall policy guidelines given at the ministerial level. The foreign secretaries have also been authorized to set up "Action Committees" in case of such projects which involved "more than two but not all the countries of the region".

And lastly, at the fourth level were the "technical committees", to be manned by officials of all the member countries and assigned to do the work done in the past two years by the Working groups and Study groups on identified and agreed areas of cooperation. The terms of reference of the "technical committees" were also defined. Though these institutional levels and structures have been identified and put into operation, it would be safe to assume that organisational aspect is still in the process of evolution and may undergo further additions and transformations.

The second important aspect of the groundwork done by the meetings of the foreign secretaries was the identification of the areas for cooperation and preparation of an Integrated Programme of Action. Out of the eleven areas suggested in the Bangladesh draft paper, five areas, namely, agriculture, rural development, telecommunication, meteorology and health and population were identified and agreed to at the Colombo meeting of foreign secretaries. To these five, three more, namely, transport, postal services and scientific and technological field were added at the second meeting in Kathmandu. The Islamabad meeting added yet another field i.e. of sports, arts and culture. At the Islamabad meeting, the foreign secretaries also agreed to hold regular consultations "by the representatives of the countries of the region, as deemed appropriate" on international economic issues of common interest (para 12, Joint Communique).

There are several other areas of cooperation which were identified at the Colombo meeting of the Committee of the Whole held in August-September 1981. The agreement to undertake studies on these areas have however not been reached so far at the foreign secretaries level. These are: education and training, tourism, shipping, monetary cooperation, information and mass communication, environment including marine pollution control, coordination of manpower export policies and cooperation among regional planners, non-governmental organisations, academic, research and other institutions.[13]

Planning was named as a separate area for cooperative interaction. A meeting of the representatives of national planning organisations of all the seven South Asian countries took place in New Delhi in January 1983. Its report was found satisfactory by the fourth meeting of the foreign secretaries who also agreed that "it would be useful to hold such meetings periodically".[14] The Integrated Programme of Action agreed upon by the foreign secretaries on the recommendation of the Committee of the Whole identified both the immediate as well as long-term activities. They were as follows:

(*a*) *Activities amenable to Short-term Cooperation*
These include inter-alia:
- (*i*) Exchange of data
- (*ii*) Exchange of expert services
- (*iii*) Training and research
- (*iv*) Holding of Seminar/Workshops in the countries of South Asian Regions.

(*b*) *Activities amenable to Long-term Cooperation*
These included inter-alia:
- (*i*) Establishment of regional institutions for training and research;
- (*ii*) Creation/strengthening of linkages among existing national institutions in the seven South Asian countries in the agreed areas of cooperation;
- (*iii*) Strengthening of infra-structural support in such areas as postal services, telecommunication, railways, highways, shipping, meteorology etc. which would require capital investment by participating countries.[15]

The most important aspect of the ground work was to provide for the financing arrangements to meet the cost of the short-term and long-term activities under the Integrated Programme of Action. The foreign secretaries rightly took into account varying capabilities of South Asian countries to bear financial costs because of "the asymmetry in levels of economic development" in the region. Four of the seven South Asian countries namely Bangladesh, Bhutan, Nepal and Maldives are "least developed" and the other three e.g. India, Pakistan and Sri Lanka are "most seriously affected" according to the UN terminology. There exists wide disparity of economic potential and capacities even within these categories. It was therefore agreed to allow "unfettered discretion of member governments to determine the level and manner of their financial allocations for regional activity". The setting up of a Common Fund through voluntary contributions was also envisaged.

The awareness of the fact that even the optimal mobilisation of regional resources would prove to be inadequate, recourse to "external assistance from appropriate sources" was accepted. Offers have already been made by EEC and International Telecommunication Union. The EEC has made two offers one each of the tune of US $ 150,000. Japan has also been showing keen interest in the South Asian regional cooperation though it has not made any specific offer so far. The decision whether to accept a particular offer of external assistance or not will have to be taken by all the foreign secretaries. The financial involvement of external agencies and groupings in the South Asian regional cooperation may create complications later if and when the donors try to use their assistance as a channel for influencing decision making. There are no indications of this at present but as the whole process grows the question of the 'role' of external agencies will have to be faced squarely.

Besides finalizing technical matters, the four meetings of the foreign secretaries also revealed the approaches of the member countries towards the pace and scope of the regional cooperation move initiated by Bangladesh. The two most enthusiastic countries who wanted a faster pace i.e. an early summit meeting and a wider scope were Bangladesh and Sri Lanka. Nepal, Bhutan and Maldives went along with these two countries both on the question of scope and pace, though they

were less pronounced and forthcoming. As noted earlier, both India and Pakistan preferred a slow and cautious approach. Both were totally opposed to the faster pace in convening the summit meeting. Regarding the scope of cooperation, whereas India was willing to include more areas, Pakistan consistently maintained a go slow tactics. Pakistan's Foreign Secretary Riaz Piracha underlining his country's cautious approach said at the first Colombo meeting:

> . . . We in Pakistan feel that we should move forward in a measured manner, one step at a time without forcing the pace of progress. . . . At this exploratory stage it would be far too premature to think of an institutional framework. . . . Summits are not scaled without going through valleys. . . We should make sure that there is not too much soil on a very small hul. . . .
>
> . . . While the potential for cooperation for mutual benefit is almost limitless, let us together climb towards the heights that we have in mind weaving our way carefully past and the debris of broken dreams and unfulfilled expectations. Our efforts anchored in realism, our ambition tempered by caution, our aspirations balanced by deliberations, let us move hand in hand towards a more peaceful and prosperous future for all our peoples.[16]

The Indian Foreign Secretary Ram Sathe also pleaded for caution regarding the pace saying:

> We have an obligation to lay a solid and secure foundation on which regional cooperation can be built. If there are delays, one should not become pessimistic. Rome was not built in a day. Neither were other regional groupings established without several meetings and thorough discussions. In fact, I would submit that while we should no doubt profit from the experience of other regions in the world, we should not replicate or copy those patterns. A pattern of regional cooperation in South Asia should evolve itself. We do not have to jump steps and create an organisational superstructure without first agreeing upon arrangements, modalities and programmes of regional cooperation.[17]

However, the representatives of the two countries differed from one another in their styles of pursuing their respective lines. Pakistan appeared to be vigorously active, assertive and unaccommodative. And since Pakistan launched its diplomatic offensive in toning down the enthusiasm of Sri Lanka and Bangladesh, India could play its cards skilfully by stating its position firmly without appearing to be obstructive. India proposed a whole range of new areas to be included for cooperative activity. It succeeded in getting postponed to the next meeting the consideration about the convening of the foreign ministers meeting.[18]

Pakistan maintained its stance at the meeting of the Committee of the Whole which took place in Colombo in September 1981. A few weeks later, however, there was a marked shift in Pakistan's position at the second meeting in Kathmandu in November 1981. Though its basic position was maintained in Foreign Secretary Riaz Piracha's statement, Pakistani style appeared to be more accommodative and conciliatory. The idea of holding the ministerial meeting was accepted and there was also some indication of moderation on the question of the summit meeting. Pakistani President Zia-ul Haq said in a press interview:

> We are encouraging the regional approach—the South Asian Forum. . . . We have been participating very actively in the preliminary thinking of the so called regional conferences. We have not had very encouraging progress in this respect—they have had two meetings and one coming very soon—but I hope it will soon reach that level where ground will have been prepared. . . and then perhaps, it will lead to a summit.[19]

Reflecting the changed tone, Pakistan agreed at Kathmandu to host the next meeting. It also pleaded for and succeeded in getting three more areas of cooperation added namely transport, postal services and scientific and technological field.[20] This shift in Pakistan's position was less substantive and more tactical. It was the result of Pakistan's uncomfortable realization that its active role as a dissenter had earned strong disapproval from the other small South Asian states and was

somewhat relished by India. Pakistan therefore needed to rehabilitate itself diplomatically in the South Asian gatherings. There could also have been moderating influence of the U.S. and China on Pakistan in this respect.

India found Pakistan's changed stance a bit unexpected and surprising. It took a careful note of Pakistan's new position and its increased diplomatic consultations with the South Asian neighbours. Consequently, India continued its pleadings for the expansion of areas of cooperation. In particular, India asked for the inclusion of the areas like trade, tourism, education etc. where Pakistan's response was halting and negative. At the third meeting in Islamabad in August 1982, India's efforts succeeded in getting "sports, arts and culture" included for study and action as areas for regional cooperation. India's caution about the pace and raising the level of South Asian meetings continued though it agreed to host the first ministerial meeting and suggested that ministerial meetings be held with regular intervals. But the latter suggestion aimed more at exposing the tactical nature of shift in Pakistan's position rather than to show India's enthusiasm for the ministerial meetings. Pakistan did not accept the idea of regular periodic meetings of ministers. In order to camouflage its hesitation on inoreasing the pace and expanding the scope of regional cooperation and avoid isolation within the region, Pakistan has lately joined Sri Lanka and Bangladesh in supporting South Asia's linkages with ASEAN with the aim of adding a pro-West politico-strategic dimension to regional cooperation. We shall come back to this point in Chapter Five. This fits in well with Pakistan's present foreign policy posture in relation to the U.S. and the Western powers. Pakistan skilfully co-ordinated its stance on Kampuchea with Sri Lanka and Bangladesh in favour of the ASEAN position at the recently held Seventh Non-aligned Summit in New Delhi.

Thus, the divergence in the approaches of South Asian countries in the context of regional cooperation move are clearly evident on two aspects, namely, (i) the pace, political level and scope of cooperation, and (ii) attempt to provide an underlying politico-strategic (pro-West) orientation to the emerging regionalism. Pakistan finds itself in an odd position with other neighbours on the first aspect and India on the

second. The extent to which this divergence would be widened or narrowed down will depend upon the nature potentialities of and impediments to cooperation in the region.

NOTES

[1]*The Rising Nepal*, 13 and 16 January 1978; *The Bangladesh Times*, 13 and 14 January 1978.

[2]*The Times of India*, 18 April 1981.

[3]*Ceylon Daily News*, 18 April 1981. (Article by Neville De Silva). Also, India's Foreign Minister Narsimha Rao's statement in Parliament on 25 March 1981. *The Statesman*, 26 March 1981.

[4]As quoted in *The Tribune* (Colombo), 2 May 1981, p. 2.

[5]*Department of State Bulletin*, March 1980, pp. 35-36; also Girish Mathur in *New Wave Weekly* (New Delhi), 27 January 1980.

[6]*Department of State Bulletin*, March 1980, p. 65; also *The International Herald Tribune*, 4 February 1980; *The Guardian Weekly*, 17 February 1980.

[7]A statement on Clifford's visit to India was made by Ms Coon, Dy. Assistant Secretary for Near Eastern and South Asian Affairs, *Department of State Bulletin*, April 1980, p. 62.

[8]*New Wave*, n. 5. Also see *The Hindustan Times*, 30 April 1981.

[9]*Ceylon Daily News*, n. 3.

[10]*Dawn* (Karachi), 29 May 1980. Also see, Pran Chopra, "A Sinking Summit", *The Deccan Chronicle*, 25 June 1980.

[11]Discussion on the Bangladesh working paper is based upon the excerpts of its draft as were quoted in *The Ceylon Daily News* (Colombo), 29 April 1981; *The Tribune* (Colombo), n. 4.

[12]Official Text of the Communique in the Documents Section I-D, para 9. Also see *The Indian Express*, 31 March 1983, and *The Times of India*, 31 March 1983.

[13]Report, *Committee of the Whole*, September 1981, Ministry of Foreign Affairs, Sri Lanka, Colombo (Mimeo).

[14]Text. Dhaka Communique, n. 1, para 11.

[15]Report, *Committee of the Whole*, January 1983, Ministry of Foreign Affairs, Colombo (Mimeo).

[16]Text of Riaz Piracha's statement, paras 5 and 12. Documents Section III.

[17]Text of Ram Sathe's statement, last para, Documents Section III; also *Patriot*, 23 April 1981; *The Hindustan Times*, 23 April 1981.

[18]*Ceylon Daily News*, 2 May 1981. (Reported by Neville De Silva);

[19]*Far Eastern Economic Review*, 16-22 October 1981, p. 44.

[20]*Dawn* (Karachi), 13 November 1981; *Indian Express*, 4 November 1981; and *The Hindustan Times*, 6 November 1981.

FOUR

Potentialities and Impediments

From an extensive range of infrastructural factors in South Asia emerge mutual commonalities, incompatibilities and, in some cases and at some times, contempt and conflict among the countries of the region. In these diverse conditions are rooted the potentialities of as well as impediments to regional cooperation in South Asia.

Geographically, South Asia is a contiguous landmass without any natural frontiers except for narrow water corridors between India on the one hand and Maldives and Sri Lanka on the other. Then there were similar, if not identical, processes of historical evolution experienced by the countries of the region. For instance, colonialism that gripped India, Pakistan, Bangladesh, Sri Lanka and Maldives left Nepal and Bhutan formally unannexed, but in effect these Himalayan Kingdoms could not escape most of the undesirable influences and implications of the colonial rule. The countries of the region have also had vast socio-cultural and ethnic identities and proximities of race, religion, language, customs, costumes and so on. For centuries together, they have preserved and propagated akin philosophical traditions, cultural values and norms of life. Economically, notwithstanding the differences in the levels of poverty and deprivation, the whole of South Asia is underdeveloped. The countries of the region lack internal resources and the adversities of the international economic relations impinge upon all of them in a similar manner. As already mentioned in the previous chapter, the late Bangladesh President had taken note of these commonalities existing in South Asia in his proposal for regional cooperation.

Tremendous potentialities of regional cooperation exist

both in economic and socio-cultural fields. The areas already identified for cooperation in these fields have been mentioned in the last chapter. The reports by the Study and Working groups that were presented and accepted by the Committee of the Whole in January 1983 in Colombo underlined the specific issues and possible actions that could be initiated in these specific areas.[1] These reports make it clear that the identified areas are important as well as feasible for developmental goals of South Asian countries if worked out in a regional framework. Even those areas which have been identified but not subjected to study and evaluation are closely and practically related to the region's developmental needs and resource bases. The definition of and a rationale for these various areas of possible cooperation were given in the Bangladesh draft paper presented initially at the first meeting of foreign secretaries in Colombo and the responding notes submitted by India and Sri Lanka subsequently.[2]

In addition to the already identified areas, vast possibilities for regional cooperation exist in some other very important fields. Trade is one of them. Bangladesh in its draft paper suggested cooperation in the field of 'Market Promotion' in selected commodities such as tea, jute and cotton. India's Note regarding areas of Co-operation also lent support to this. But the subject did not figure in the agreed list of 13 areas for co-operation adopted by the Committee of the Whole in September 1981. India and other countries have continued to emphasize the need for cooperation in the field of trade but because of Pakistan's consistent opposition, there has been no success in this respect.

The existing level of intra-regional trade is very poor. It does not exceed, on an average, 5 to 6 per cent. The only exception is Nepal's heavy trade dependence upon India but then, by the latter half of the seventies, Nepal succeeded in bringing down its trade with India from the earlier figure of 90-95 per cent to 50-55 per cent. In the past couple of years, it has again started showing considerable increase. Nepal's trade with other South Asian countries has, however, remained negligible. An idea of intra-regional trade in South Asia can be had from the figures of 1980 as shown in Table I. This poor level of intra-regional trade by implication indicates that scope

for expansion is considerable. This was clearly brought out in the deliberations of an international seminar held in New Delhi on 18-20 April 1983. The Seminar was sponsored by the Federation of Indian Export Organizations (FIEO) in consultation with the Commerce and the External Affairs Ministries of the Government of India, and was attended by seven delegations of businessmen and industrialists from the seven South Asian countries, most of them being led by official representatives.

There was a general consensus in the seminar that improved trade relations in the region will be advantageous to every country. It will cut on transport cost and time, retain benefits within the region that are now being appropriated by third country trading houses since they exploit the import quotas offered by the developed countries. This will give relief and advantages to all the concerned sections, e. g., the traders, producers and the consumers. Even the members of the delegation of Pakistan, the country which has been resisting the inclusion of South Asian cooperation in trade matters in the meetings of the foreign secretaries, strongly pleaded for expanding trade ties in the region.[3] Sri Lanka and Bangladesh have been enthusiastically supporting cooperation in the field of trade. Recently introduced liberal regulations and new incentives in the field of export-import trade in Bangladesh have given impetus to the Bangladesh traders' desire to explore further possibilities and prospect of greater regional interaction. It, therefore, appears that notwithstanding the political constraints that get reflected in the government's hesitation in countries like Pakistan, the private traders and industrialists are all in favour of increasing trade relations with India and other countries in the region.[4]

One major hitch in expanding the flow of intra-regional trade seems to be the imbalanced and lopsided nature of the existing South Asian trade. All the South Asian neighbours suffer from an adverse trade balance with India (see Table II). The only exception in this respect is Pakistan which has positive balance of trade with India and that is mainly because Pakistan restricts its imports from India only to its public sector. The imbalance in the intra-South Asian trade is the result of the big sized, diversified and self-reliant production base of India's economy

TABLE I

Intra-Regional Trade in South Asia, 1980

(Percentage) a: Exports; b: Imports

Countries	Bangladesh		India		Nepal		Pakistan		Sri Lanka	
	a	b	a	b	a	b	a	b	a	b
Bangladesh	—	—	1.6	1.9	—	0.3	7.4	2.1	0.3	0.2
India	0.5	0.1*	—	—	0.9	0.2*	—	0.6	1.0	0.3
Nepal	6.8	0.1	45.1	67.4	—	—	3.7	0.1	0.4	—
Pakistan	2.1	1.4	2.7	0.1	—	0.1	—	—	1.5	0.7
Sai Lanka	0.4	0.1	3.3	4.8	—	—	3.3	1.5	—	—

*1977-79.

Source: ESCAP, Economic and Social Survey of Asia and the Pacific, 1981.

TABLE II

India's Trade with South Asian Countries

a = exports, b = imports, c = Balance of Trade

(Value in rupees crores)

Countries	*1978-79*			*1979-80*			*1980-81*		
	a	*b*	*c*	*a*	*b*	*c*	*a*	*b*	*c*
Bangladesh	52.57	1.80	+ 50.77	98.22	5.18	+ 93.04	58.09	2.30	+ 55.79
Nepal	56.69	13.81	+ 42.88	63.42	15.22	+ 48.20	87.76	29.64	+ 58.12
Sri Lanka	88.53	5.10	+ 83.43	101.93	12.08	+ 89.14	89.14	31.52	+ 57.62
Pakistan	19.45	12.80	+ 6.65	8.50	24.59	— 16.09	0.82	84.33	— 83.51
Maldives	1.59	Neg.	+ 1.59	0.55*	0.01*	+ 0.54	—	—	—

*April-September 1979.

Source: Ministry of Commerce, Government of India.
Anil Rai, "Co-operation in South Asia", *Financial Express* (Bombay), 16 August 1982.

as compared to that of its neighbours. Partially, an answer to this problem lies in India undertaking to set up joint ventures in the neighbouring countries in those sectors where the concerned country has the abundance of raw materials. The surplus product of such ventures may then be imported by India.

For instance, cement in Nepal and Bhutan, paper and natural gas in Bangladesh and rubber goods in Sri Lanka may be mentioned here. Cooperation in such joint ventures will not only improve the balance of trade of the small neighbours with India and thus promote intra-regional trade but may also lead to greater cooperation in the fields of industrialization and technology transfers. India has attained a level of technological development and managerial expertise which can be profitably shared by its South Asian neighbours. The neighbours in turn will be able to give an impetus to their industrialization efforts without paying heavy costs. This will help them reduce their dependence upon the developed countries and Multinational Corporations. But this will need necessary political will and reordering of economic priorities in India's neighbouring countries. On India's part it is unfortunate that out of a total of 188 Indian joint ventures in the developing countries, only 27 are in South Asia at present. This is so, on the one hand, because of the tendency of the Indian entrepreneur to undertake such ventures which bring in quick and large profits with less efforts and maximum security, and on the other due to the lack of adequate incentives offered to Indian capital in the neighbouring countries.[5]

In addition to the prospects of cooperation in trade and industrialization, South Asian countries can also profitably cooperate in developing and harnessing natural resources. The region has the abundance of hydro-power and irrigation potential from its water resources. Estimates in this regard vary but the hydro-power potential of Nepal rivers alone is considered to be of the tune of 83,000 MW which is approximately equal to the combined installed capacity of Canada, the US and Mexico. The schemes that are under implementation and planning at present such as Devighat, Kulekhani and Karnali, between India and Nepal will cover only less than 41 per cent of this potential. Exorbitant costs involved, which keep rising steadily, and lack of political understanding of the long and short term

implications of these projects are some of the main problems in making progress on these projects. No less significant is the hydro-power potential of Bhutan, where work is in progress on Chukkha hydel plant with India's assistance of $ 10 m. A link canal between Brahmaputra river in Bangladesh and the Ganges in India can significantly augment the flow of water in the Ganges during the lean season and may help remove the present controversy between the two countries regarding the sharing of Ganges water.[6] Most of these issues are essentially bilateral, between India and each of its concerned neighbours, but an overall regional perspective may help harmonize the contentious issues that are being raised from time to time. A dispassionate consideration of the relevant issues at the level of planning officials may also help in removing avoidable irritants

A regional perspective on the sharing of river waters may also take into account the question of a judicious harnessing of the irrigation potential of these rivers. Irrigation along with new agricultural techniques and methods, particularly in the field of foodgrain production, constitute vital areas for present and future needs. They have not been taken note of under the area of 'agriculture' by the foreign secretaries. In South Asia, countries like India and Pakistan have made significant advances in food production and yet the prospects of food availability often depend upon unpredictable weather conditions. Nepal, a traditionally rice surplus country has, during the past two years, become a heavy importer of food. The existing and prospective food deficiencies in South Asia call for urgent steps towards building a regional food security programme.[7]

Exploitation of sea-bed resources of India, Sri Lanka, Bangladesh, Pakistan and Maldives is another area where wider cooperation in the region is possible and desirable. Advances have been made in preparing an international framework for exploitation of sea-bed resources through Law of the Sea Conferences. Bilateral agreements have also been concluded between India and Sri Lanka and India and Bangladesh for joint scientific exploration of the sea resources. This has prepared necessary groundwork for initiating specific schemes. The fact that India is aspiring to be self-sufficient in oil by 1990 on the basis of new oil wells found in the sea-bed may inspire and encourage the other South Asian countries to develop a regional

approach in this field. This will help them utilize the available scientific and technological expertise with the region on convenient and suitable terms.

Not only hydro-power and oil, but energy as a whole may be an important field for regional cooperation. The existing energy sources and future requirements of South Asian countries bear many similarities. Their dependence upon conventional energy source like firewood and cowdung constitute more than 40 per cent of their present needs. The rise in oil prices badly affected all the South Asian countries and as the pace of industrialization advances in the region, their requirements for oil and other energy sources would grow. It is, therefore, both necessary and possible for South Asian countries to initiate cooperation in discovering and harnessing new and renewable sources of energy.[8] Possibility of including the use of nuclear energy for peaceful purposes in this respect may also be explored. The idea of cooperation in this field had first appeared as early as in Bandung Afro-Asian Conference and has recently been endorsed by the Non-aligned Conferences.

The scope for regional cooperation is no less promising in the fields of socio-cultural activities. The latest inclusion of "sports, arts and culture" as an area of cooperation at the Islamabad meeting (August 1982) was a significant decision. A study group has been appointed for this with India as the coordinator and the first meeting of the group is likely to take place in Delhi by the end of June 1983. Specific subjects like films, cultural exchanges, regional games and sports, co-operation in fine arts, literature, handicrafts etc. were indicated by India and Bangladesh in their initial working papers.[9] Cooperation in these areas would enliven the basic reality of common cultural values and heritage that has so far remained dormant in the intra-regional interactions. Development of transport, telecommunication and tourism in the region will give further impetus to cultural exchanges of individuals and ideas. This may go a long way in pervading cultural identities in the region with modern and progressive moorings and ethos and thus weaken the forces of obscurantism and reaction.

The scope for regional interaction in the field of education and scientific research is indeed very vast. Besides encouraging regional seminars and symposia, collective programmes of

research and higher studies may be initiated which among other things may include setting up of educational institutions like South Asian regional university or Centres of Asian Studies in history, arts, culture, languages etc. Many possibilities for training in the field of science and technology may also be worked out. An effective way to proceed in these matters would be to encourage contacts at unofficial level, among the academics, scientists, scholars and research organisations and institutions of the region.

Finally, regional thinking is called for on political and strategic issues affecting South Asian countries. This being a highly sensitive and complex subject, is seldom mentioned in official parleys, public forums and media. It may be no exaggeration to say that it is not possible to pursue cooperation in economic, social and cultural fields beyond a certain limit in the absence of political understanding and harmony in the region. South Asian countries, irrespective of their varying political systems, are facing many a similar internal political challenges. They have to combat the forces of internal disorder and insurgency of one type or the other as also separatist and secessionist movements. The problems of mobilizing popular support for specific political actions and programmes in the face of growing economic hardships and social unrest are becoming difficult to tackle. Co-ordinated thinking and action on some of these problems at the regional level may produce better and quicker results.

To some extent this was evident when Sri Lanka government succeeded in frustrating the JVP insurgency attack in April 1971 with the help of India and Pakistan besides other countries. Bilateral cooperation has already existed on selected political and strategic issues between some of the South Asian countries. But, for this type of cooperation, mutual trust and understanding among the ruling elites of the subcontinent constitute almost a pre-requisite. If such a trust and understanding is established, greater harmony in strategic perspectives and security perceptions in South Asia will be facilitated.

Needless to say that geographical compulsions and historical evolution of South Asia created a basic similarity in the security needs of the countries of the region. Political discord, more than anything else, vitiated this basic similarity. However, the

new security threat and challenges to the region, whether emerging out of the Soviet military presence in Afghanistan (since December 1979) or the setting up of the Rapid Deployment Force (RDF) by the U. S. in the Middle East and Persian Gulf or arms proliferation and great power rivalry in the Indian Ocean, provide more than adequate reasons for South Asian countries to evolve coordinated and harmonized responses. The existing divergent approaches of South Asian countries on these and other strategic issues are artificial and inspired by narrow political considerations. If political and strategic harmony is achieved, conflict and dissension will be considerably reduced in South Asia and many a new opportunities of cooperation will be opened up in the field of defence.

In spite of the potentialities identified above, the actual progress in regionalism has been rather slow in South Asia over the past thirty-six years. The gains, even of the relatively faster phase of the past three years, since the Bangladesh initiative of May 1980, have been at best modest. Not all areas identified have been agreed upon for initiating studies. Reluctance of Pakistan towards regional action on trade, industrialization, tourism, education and training is particularly discouraging. Sri Lanka and Bangladesh are also unhappy that they have not yet succeeded in securing regional consensus on having summit level meeting. The reports so far prepared by the Working and Study groups have in some cases been less than comprehensive and shy in putting forth concrete proposals.[10] The action programme agreed upon also does not go beyond the initial stage. It remains to be seen as to how long the foreign ministers meet, scheduled to take place in August 1983, in New Delhi, will be willing and able to make advance towards increasing the pace, widening the scope and raising the level of institutional arrangements for regionalism in the subcontinent. The foreign ministers may either conclude their deliberations by formally endorsing the framework of regional cooperation prepared by the foreign secretaries during the past two years of efforts or go beyond this by taking new initiatives and breaking fresh grounds. However, as things stand, it would be unrealistic to pin higher hopes on the ministerial meeting.

The cautious and shy progress as also the future prospects of South Asian regionalism can be understood with reference

to the impediments that exist in the way of cooperative ventures in the region. Sometimes even the factors of commonalities are converted into impediments by adding twisted meanings and interpretations to them under political or other extra-economic considerations.[11] These impediments to regional cooperation in South Asia fall into two categories namely: (i) those related to technical and infra-structural factors, and (ii) those emanating from the nature of the region's political economy, and power structure.

The technical and infrastructural factors that have been inhibiting the growth of genuine regional cooperation in South Asia include the colonial legacies of South Asian countries' economic, political and communication linkages with the U.K., the U.S. and other developed countries of the West. These linkages have continuously been nursed even after the attainment of independence by India, Pakistan and Sri Lanka under various new arrangements. It would not be easy to severe these linkages and, in many cases, the concerned developed countries would not let them be weakened without offering resistance because of the advantages accruing to them from such linkages. Trade is one obvious example of this and technology transfers, financial investments and operations of the multi-national corporations are other. Such linkages are sustained, besides other factors, also by the nature of economies of South Asian countries which contain powerful sectors that were the product of the colonial exploitation. Further, the overall hegemony of the North dominated global economy, particularly in the fields of currency, banking, communication, information control, technological superiority and managerial skill and efficiency come in the way of forging and developing mutually beneficial South-South co-operation.[12] The non-aligned movement and the 'Group of 77' are confronting these hurdles but the real progress is extremely slow and tardy. Regional cooperation efforts in South Asia cannot escape the overall constraints of global economy and political dynamics in general and North-South relations in particular.

At the regional level, information and awareness about resource potentialities and capabilities of co-operation that exist in one country are either absent or inadequate in the other. This was clearly reflected in the deliberations of the South Asian

seminar organized by FIEO. To remove this difficulty, it was agreed at the seminar that "apex bodies of trade and industry in all the seven South Asian countries involved at the regional co-operation exercise should promote greater contacts, flow of information, and dialogue on matters of mutual interests". A committee was appointed with FIEO as the convener, to prepare a draft for the "creation of an institutional framework" for future activities in this regard.[13] Some of the recent studies on intra-South Asian trade have gone into the measures to be taken to expand trade in the region. These studies have suggested monetary cooperation and payment arrangements, joint market promotion efforts, preferential tariff arrangements, simplification of documents and procedures, mutually agreed regional standards and quality controls, agreements and institutional organizations in respect of publicity, packaging, trade fairs and exhibitions, insurance, shipping etc. as necessary measures for trade expansion.[14]

Some of the infrastructural impediments may be removed as the implementation of the Integrated Programme of Action picks up momentum. But with this, and with the expansion and deepening of the concrete regional cooperation projects, the availability of financial resources will assume a critical significance. The presently envisaged arrangements for mobilising regional resources on voluntary basis and allowing highly restricted financial support from extra-regional sources may not prove to be adequate. If the recourse to inviting greater external help is adopted, the possibility of the financing agencies' demand for playing some role in the decision making may not be ruled out. That is bound to create some difficulties because whenever attempts are made to involve an international economic agency in bilateral economic relations in South Asia, the effect has not been quite helpful. Further, the role of extra-regional financiers may not prove to be compatible with the autonomy, compatibilities and developmental priorities of the regional cooperation programmes.[15]

The more effective set of impediments than those of technical and infrastructural factors belong to the second category. They spring from the politico-strategic and economic implications of the political economy of the region. The first important characteristic of the region in this respect is its Indo-Centric nature.

This means that India is central to the whole region. This is not only so in terms of India's geographical location and contiguous boundaries with neighbours, but with respect to socio-cultural identities and experiences of historical and political evolution. Commonalities in South Asia are mostly bilateral between India and each of the neighbouring countries separately and individually. There is a bit of India in every other country of South Asia. As against this, there is hardly anything of significance which is common between India's one neighbour and the other. All the South Asian neighbours of India have only one thing in common amongst themselves and that is India. The case of Islamic identity between Pakistan and Bangladesh since 1971 may be mentioned as an exception in this respect but even then the Pakistani and Bangladeshi Islam is of Indo-Islamic cultural stock. Economic and other links between eastern and western wings of Pakistan in the years prior to 1971 were unnatural and not viable. The legacies of these links can neither be sustained nor resurrected in any meaningful way. A clear implication of this Indo-Centric nature of South Asia is that no step towards cooperation and collaboration in a regional framework can be taken without India acquiring a central place in the scheme of things. But therein lie the problems too, as we shall see below.

It flows from the Indo-Centric nature of South Asia that in their specificities and concrete details, the issues in the region were and are primarily bilateral. The questions of boundary settlement, the problem of stateless persons of Indian origin in Sri Lanka irritants in the smooth flow of trade and transit between India and Nepal, Kashmir question and armed rivalry between India and Pakistan, refugees from Bangladesh in the Assam province of India, the problems of trade and transit and expansion of external relations of Bhutan through India, etc. may be mentioned just as examples. Even in the case of the much talked about issue of Ganga waters, the solution proposed by Bangladesh in relation to India may not be wholly acceptable to Nepal vis-a-vis India. Bilateralism, and not multilateralism, therefore, is bound to remain the dominant mode of interaction among South Asian countries. The present move seems to have taken full cognizance of this reality. The foreign secretaries in their very first meeting at Colombo (April 1981), "agreed that regional cooperation was not intended or expected

to be a substitute for bilateral and multilateral cooperation, but could complement both; nor should it be consistent with bilateral and multilateral obligations" (Jt. Communique, para 7). Regionalism, therefore, can only develop as a mutually supportive process to the thrust of bilateralism in South Asia as dictated by the realities of the region.

The second important characteristic of the South Asia region is power disparity between India on the one hand, and other neighbours on the other. India stands as a giant in South Asia. Except during the 1960s, when this giant displayed innertia and imbecility as a result of military humiliation suffered at the hands of the other Asian giant, China, India has been able to assert its primacy in the region. The indications of improvement in India's power profile since the beginning of the seventies were evident in India's assistance to Sri Lanka against the insurgency threat in April 1971 and role in the emergence of Bangladesh later in that year. The emergence of Bangladesh firmly established India's credibility as a "purposive, powerful and skilfully managed regional power", in the words of an American scholar.[16] The "implosion" of a peaceful nuclear device in May 1974 further reinforced these indications of India's position as a regional power. Even perceptive Pakistani and Sri Lanka scholars have acknowledged this fact. Director of Pakistani Institute of Strategic Studies wrote: "The dismemberment of Pakistan has improved the long-term position of India in the subcontinent and consequently in the region. . . . India is now better able to face China in the north and to deal with its scattered neighbours than at any other time in the past."[17] This position has however been changed following the Soviet military presence in Afghanistan and the arming of Pakistan by the U.S. Economically, India's is a big sized economy with a strong and diversified industrial base and self-reliant strategy of growth.[18]

However, while being a regional power of consequence, India is still politically, militarily and economically not sufficiently powerful and developed to act as an autonomous decision making centre in South Asia. It has considerable limitations and weaknesses in this respect. This duality of India's power status in South Asia has given rise to two types of mutually incompatible fears and apprehensions. India, because of its limitations and past experiences, apprehends that neighbours might evolve

a sort of a united front against its basic and vital interests. This was reflected in India's initial hesitation towards the regional cooperation move as noted earlier. As a caution against the possibility of the neighbours "ganging up", India preferred complete unanimity as the basis of decisions. This was supported by everyone else as it ensured in effect, a veto for every member. Further, it was also provided for in the "ground-rules" for regional cooperation that "bilateral and contentious issues" were to be excluded (Colombo Jt. Communique, April 1981).

The other fear is that of the neighbours. They individually and collectively perceive that India attempts to dominate the region. This weighed considerably on Pakistan's initially cautious response. Even the Bangladesh proposal of May 1980 reflected this perception when it said:

> . . . in South Asia as in other regions of the world, we have countries at different levels of development, some are relatively less developed than others. Any proposal for economic cooperation must consequently be formulated with the greatest care in order to ensure that the weak are not exploited and the strong do not dominate.

As a political corollary of the fear of domination, South Asian countries reiterated the respect for the principles of "sovereign equality, territorial integrity, political independence, non-interference in internal affairs of other States and mutual benefit", in their mutual dealings. The possibility continues to haunt the small South Asian countries that as regional cooperation broadens and advances, their economies may get integrated with and become dependent upon that of India's with adverse consequences for their political autonomy and identity. Such fears are openly and repeatedly expressed by the scholars and statesmen in India's neighbouring countries. One of the important objectives behind Sri Lanka's enthusiastic involvement in South Asian regional cooperation and at the same time desire to seek membership of ASEAN seemed to be to develop closer links and stronger ties among the smaller countries of South and South East Asia.[19] The question of Sri Lanka's attempts to forge links with ASEAN will be discussed later. The fear of Indian domination is perhaps the reason why there is a hesitation on

the part of some members like Pakistan about enlarging the scope of cooperation.[20]

The fears and apprehensions of the smaller South Asian countries vis-a-vis India though a natural and unavoidable consequence of power disparity in the region, have often been inflated and deliberately played up to serve narrow objectives. This has been done by those political and economic vested interests in these countries that have thrived and prospered on anti-India and regionally centrifugal policies. The range of variety in the South Asian political systems include traditional and 'modernising' monarchies of Bhutan and Nepal, military regimes of Pakistan and Bangladesh and representative governments of India, Sri Lanka and Maldives. The Indian democratic regime has so far been the most stable in the region. Owing to historical links and socio-cultural contiguities that India has with the neighbouring countries, the neighbouring regimes have often found it advantageous to pursue assertive and divergent stances vis-a-vis India in their strategies for political sustenance and support mobilisation against domestic rivals and adversaries.[21] Similarly, in the economic field, the strategies of development pursued by these regimes have been in contrast with that of India's. Under such strategies, the dominant economic groups have come to establish linkages with the forces and factors outside the region, including MNCs and that they now do not see adequate advantages in weakening these links at the cost of developing intra-regional linkages. There are any number of business and manufacturing concerns in Nepal, Sri Lanka, Pakistan and Bangladesh which have prospered on their extra-regional markets and suppliers. They fear that the growth of regional cooperation will harm their prospects of growth and prosperity. Such fears of the economically entrenched groups have been coinciding with those of the ruling elites to produce centrifugal economic and politico-strategic policies in the region.

Mutual distrust and lack of understanding in political and economic fields in South Asia, therefore, are built into the prevailing structure of political economy of the region. Unless this structure is gradually modified and readjusted, it may come in the way of regional cooperation entering into a deeper and broader phase. It is interesting to note that a Pakistani econo-

mist, instead of suggesting other South Asian countries to develop self-reliant economies, asked India to give up its strategy of self-reliant economic development in the interest of winning neighbours' confidence and advancing regional co-operation.[22]

Closely related to the factors of power disparity, divergent political systems and incompatible strategies of economic development are the presence of interstate conflicts and strategic disharmony in South Asia which obstruct regional cooperation. India and Pakistan have witnessed four bilateral armed conflicts since 1947 and discord in strategic perceptions is evident between India on the one hand and most of the other South Asian countries, on the other, on several issues. The nature of relations with China has been a continuous issue of discord between India and its neighbours, particularly since the late 1950s. More recent examples of such discord are Afghanistan, Kampuchea, great power rivalry and arms build-up in the Indian Ocean and the presence of the U.S. Rapid Deployment Force (RDF) in West and South West Asia. Some of the sources of this South Asian strategic discord have been discussed above and constraints of time and space inhibit us from going into further details.[23] The point that does not need to be laboured further is that armed conflicts and strategic disharmony are inversely related to amity, accord and regional cooperation. From this point of view, the present phase of attempts by India and Pakistan (simultaneously with the regional cooperation move), howsoever tactical and wanting in seriousness and sincerity such attempts are, to resolve bilateral disputes and conflicts and try to forge cooperative linkages, has been a helpful development. But for this development, which is otherwise not directly related to the regional cooperation move, whatever progress has been achieved on the Bangladesh initiative would not have been there. And yet, at the present stage, the positive side of the Indo-Pakistani interaction is fragile and complex, and is fraught with many a mutually inconsistent and contradictory possibilities and prospects. Any distruption in the present positive trend between the most important South Asian neighbours if not properly contained, has the capacity to put the whole process of building regional cooperation into jeopardy.

Inter-State conflicts and strategic disharmony in the region

have, besides other things, tended South Asian countries to look outside in search of support and assistance, particularly from the great powers, to counter-balance intraregional pressures and adversities. The external powers on their part have often exploited and perpetuated strategic schism in South Asia to further their respective interests and global strategies. The reversal or weakening of this mutually reinforcing relationship may make the region look inwards and facilitate the growth of healthy regionalism. This brings us to the question of the role of external powers in the South Asian regional cooperation. The external powers have helped or hindered regional rapport and harmony depending upon the demands of their strategic and other interests. This was clearly evident in the first generation of regionalism attempts in Asia, as we have discussed earlier.

The present move of regional cooperation in South Asia has been endorsed and appreciated both by China and the U.S. Both China and the U.S. were believed to have persuaded Pakistan in shedding off its initial hesitation in going along with the Bangladesh initiative. China has been making statements in favour of South Asian regional cooperation since 1976.[24] The Bangladesh move and the recent steps towards amity between India and Pakistan were hailed by China. The objectives behind the Chinese approach seem to be to draw India away from the Soviet Union, reduce the Soviet influence in South Asian and encourage small South Asia neighbours to initiate collective bargaining with India on matters of mutual interests. This was evident during the various visits exchanged between China and the South Asian neighbours since 1977. The Chinese objectives acquired greater urgency following the Soviet military presence in Afghanistan. After announcing his proposal, Bangladesh President Zia-ur Rahman visited China on 21-24 July 1980. There he indicated that his proposal for a South Asian summit was meant to study the situation of peace and stability in South Asia and the Gulf regions. The Chinese leader Hua Guofeng supported the proposal which according to him was aimed at opposing "external interference and aggression" and safeguarding "security in the region".[25] This Chinese support was reiterated again when Lieutenant General Ershad visited China from 27 November to 3 December 1982.[26]

The U.S. interest in the idea of regional cooperative action in South Asia has been evident since 1977-78 as noted earlier. Delineating the basic aspects of the U.S. policy in this regard, Warren Christopher, Dy. Secretary of State told the subcommittee on Asian and Pacific Affairs of the House Foreign Affairs Committee on 7 March 1979:

> What can the United States and others do to respond to South Asia's needs and insure that *the new era for South Asia that appeared on the horizon in 1977* still comes to pass? A stable, secure and prosperous South Asia requires that our efforts and those of the nations of the region focus on four areas:
> —security for the nations of the region from foreign exploitation of their internal difficulties or regional rivalries
> —Greater cooperation among the nations of the region.
> —Development and maintenance of responsive, representative, political institutions and respect for individual rights, and
> —Promotion of economic development, including specially increased employment and greater food production.[27]

The Soviet move in Afghanistan added to the concern of the U.S. and the Western powers in South Asia. Consequently, the relationship between security and cooperation (regional "co-operative security framework") in the U.S. references to South Asia became quite pronounced as already mentioned in the previous chapter.[28] Like China, the U.S. aims in supporting regional harmony in South Asia are to keep the Soviet influence excluded and India appeased but contained. Somewhere at the back of the U.S. mind stability of friendly and responsive regimes in Pakistan, Sri Lanka, Bangladesh and Nepal also worked as an important consideration. It is both for countering the Soviet influence and containing India, that the U.S. has been pleading for China's greater involvement in South Asian affairs. Reference to China while offering help for river-water sharing project in South Asia by the U.S. President Carter and the U.K. Premier Callaghan in 1978 may be recalled here. This was evident even in Christopher's statement cited above in which he

said:

> Continuation of the process of reconciliation between Pakistan and India is of central importance. We look to both nations to nurture this process. We also believe that further moves towards rapprochement between India and China, difficult as they might be, will contribute to the stability and security of all nations in South Asia.
>
> We will help where we can, and other nations may also be able to offer their assistance. But I must emphasize that the ultimate responsibility for success or failure lies with the nations of the region themselves.

Some American scholars have also argued in favour of a South Asian system that keeps India "contained" and allows the U.S. to play a significant role in regional cooperation ventures.[29] This falls into the overall approach of the U.S. foreign policy to encourage dependent regionalism in the third world to further U.S. strategic and economic interests.[30] Their active support to the Gulf Cooperation Council set up in 1981 and ASEAN may be recalled in this respect. Because of the combination of economic and strategic interest, the U.S. would like Pakistan to play a greater role in the South-West Asian region and to that extent their support to South Asian regionalism may be tactically designed and carefully pursued. No wonder, neither the U.S. nor the U.K. seems to be enthusiastic in making concrete offers of financial help as done by the EEC for the South Asian cooperation. Perhaps they are watching how exactly the proposal takes shape. It is, therefore, clear that the U.S., the Western powers and China would prefer the South Asian regionalism to evolve in a certain specific form that may cater to their overall objectives in the region. If the evolving pattern does not correspond with that form, they might resist it.

By the same token, the Soviet Union does not seem to be favourably inclined towards the present move since it suspects the U.S. and the Chinese designs behind it and thus aimed against itself. The Soviet Union is believed to have been cautioning indirectly and through quiet diplomatic channels, some of its South Asian friends that in the name of regional

cooperation, they should not walk into a strategic trap laid by the Western powers and China. The interplay of these external powers is likely to impinge significantly upon the progress of the present South Asian move.

NOTES

[1]These reports were included as Annexures to the *Report of the Committee of the Whole*, Ministry of Foreign Affairs, Colombo, 13 January 1983 (Mimeo).

[2]*Report of the Commitee of the Whole*, 31 August-2 September 1981, Colombo, Sri Lanka, Official Text, Annexures, A, B and C. See also Committee on Studies for Cooperation in Development in South Asia (CSCD), *Regional Cooperation and Development Needs in South Asia*, Draft Report, New Delhi, January 1983.

[3]*Indian Express*, 20 April 1983, Pakistani industrialist, Adamjee forcefully argued in favour of this point in his address to the Seminar on 18 April 1983. Proceedings of the Seminar are under publication. Pakistan's advantages from a South Asian Customs Union were underlined In M.A. Khalaqur Rahman, Ayubur Rahman Bhuyan and Sadrel Riza, "The Trade Effects of a South Asian Customs Union: An Expository Study", *The Pakistan Development Review* vol. xx, no. 1, Spring 1981.

[4]In informal chats with one of the authors, some of the delegates of the New Delhi Seminar conceded that political factors are the only major hurdles in increasing intra-regional trade and economic relations.

[5]FICCI, "Background Paper", Workshop on Indian Joint Ventures Abroad and Project Exports, New Delhi, 31 July 1982. Also see, Taranath Bhatt, "Indian Joint Ventures Abroad with Special Reference to South", FICCI January 1983 (Typed copy).

[6]The sharing of river waters in South Asia offers such a huge potential source of energy and irrigation that it has been widely discussed and debated. B.G. Verghese, "Nepal's Energy for India", *Indian Express*, 13 June 1983. The Mitsubishi Research Institute has drawn up a list of some projects to be financed under its proposed Global Infrastructural Fund which includes Himalayan Hydroelectric Project. *The Executive Intelligence Review* (New York), 23 February 1982.

[7]B.M. Bhatia, *Food Security and the Agricultural Base in South Asia*, CSCD, New Delhi, January 1983.

[8]Asian Development Bank, *Survey of Asian Energy Problems*, 1982.

[9]Annexwers A and B. Report, Committee of the Whole, n. 2.

[10]Annextures to the Report, Committee of the Whole, n. 8.

[11]P.C. Mathur, Virendra Narain, M.V. Lakhi, "Intra-Regional Relations: A Study in Intra-Structural Determinants", in S.P. Varma and K.P. Misra (eds), *Foreign Policies in South Asia*, Orient Longmans, New Delhi, 1969, pp. 91-105.

[12]For a theoretical exposition of this point see Hans W. Singer, "North South and South-South: The North and Intra-Third World Co-operation", *Development and Peace* (Budapest), vol. 3, no. 1, Spring 1982, pp. 5-11; Constantine V. Vaitsos, "Crisis in Regional Economic Co-operation (Integration) among Developing Countries", *World Development*, June 1978; W. Andrew Axline "Underdevelopment, Dependence and Integration: The World Politics of Regionalism in the Third World", *International Organization*, vol. 31, no. 1, Winter 1977.

[13]*The Times of India*, 21 April 1983. Also see *Dawn Overseas* (Karachi), 19 May 1983, p. 7.

[14]Indian Institute of Foreign Trade, *Import-Export Structure and Trade Expansion* (country study on India), New Delhi, 1981. Marga Institute, *Study of Import-Export Structure and Trade Expansion Possibilities in South Asia* (Sri Lanka Case Study), Colombo, May 1981. Such country study on Nepal was prepared by the Centre for Economic Development and Administration, Kathmandu. These studies have been sponsored by CSCD. Also see, N.P. Banskota, "Nepal: Towards Regional Economic Cooperation in South Asia", *Asian Survey*, vol. xxi, no. 3, March 1981, pp. 342-53.

[15]See for instance, Lynn K. Mytelka. "Foreign Aid and Regional Integration: The UDEAC", *Journal of Common Market Studies*, December 1973, pp. 139-58.

[16]Wayne Wilcox, *The Emergence of Bangladesh*, Washington, D.C., 1973.

[17]S. Irtiza Husain, "The Politico-Strategic Balance in South Asia", *Strategic Studies* (London), vol. 1, no. 2, July-Septemer 1977, p. 36. Pervaiz Iqbal Cheema, *Conflict and Cooperation in the Indian Ocean: Pakistan's Interests and Choices*, Canberra Papers on Strategy and Defence, no. 23, Canberra, 1980. S.U. Kodikara, *Strategic Factors in South Asia*, Canberra, Papers on Strategy and Defence, no. 19, Canberra, 1979.

[18]John Mellor (ed.), *India: A Rising Middle Power*, Boulder: Westview, 1979.

[19]Godfrey Gunatilleke, *Cooperation for Development in South Asia: A programme of Sub-regional Collective Self-reliance*, Doc. SACM/8, September 1979 (IFDA); *Cooperation among Small Nations in Asia in the Context of the Changing Asian Political Economy*, Doc. SAC/2, 5/78. N.M.M.I., Hussain, "Cooperation among Small Nations for an Equitable World Order", A Paper presented at Asian Regional Seminar on Cooperation among Small Nations in the Changing Political Economy of Asia, February 1981, Doc. SEM/104/80.

All these studies and the seminar were sponsored by Marga Institute, Colombo, Sri Lanka.

[20]A clear exposition of Pakistani susceptibilities in this regard is found in the Inaugural Address by Pakistan's former Foreign Minister Aga Shahi to the CSCD meeting in Lahore, 22 April 1982. (Text provided by CSCD), see particularly paras 5, 6, 10, 14 and 15.

[21]S.D. Muni, "India's Political Preferences in South Asia", *India Quarterly*, January 1975; U.S. Bajpai, ed., *India's Security*, New Delhi, 1983, Chapter 7. Also see Lloyd Jensen, "Levels of Political Development and Inter-State Conflict in South Asia", in Richard Butwell, ed., *Foreign Policy and the Developing Nation*, Lexington Ky, 1969.

[22]M.L. Qureshi, *Survey of Economy Resources and Prospects of South Asia*, Marga Institute and Third World Foundation, Colombo, 1981, p. 241.

[23]S.D. Muni, "South Asia", in Mohd. Ayoob, ed., *Conflict and Intervention in the Third World*, Croom Helm, 1980, and Stanley Wolpert, *Roots of Confrontation in South Asia*, Oxford University Press, New York, 1982.

[24]*Hsinhua*, Commentary of 25 August 1976, as quoted in *The Times of India*, 27 August 1976; also Denzil Peiris, "China's Stake in South Asia: Bid to Ward off Soviet Influence", *The Times of India*, 10 February 1978.

[25]*Beijing Review*, vol. 23, no. 31, 4 August 1980, pp. 7-8. See also *Morning News*, 8 June 1981.

[26]*Beijing Review*, vol. 25, no. 50, 13 December 1982, pp. 4-5.

[27]*Department of State Bulletin*, vol. 79, no. 2025, April 1979, pp. 48-49. (Italics added to indicate reference to the regime changes in South Asia).

[28]This was also evident in the U.S. Representative in the U.N., Mrs. Jean Kirkpatrick's statements during her visit to Dhaka in August 1981. *Bangladesh Observer*, 25 and 26 August 1981.

[29]Stephen P. Cohen, "Prospects in South Asia: How to Promote Cooperation", *The Times of India*, 18 December 1982. A detailed version of this argument was presented by Cohen at a seminar on Indian Ocean, held in Allahabad on 12-14 February 1983.

FIVE

Prospects

South Asian regional cooperation, both as a concept and as a process, has come to stay. There does not seem to be any going back on it. This process, which was described by South Asian foreign secretaries at their first meeting in Colombo in April 1981 as "beneficial, desirable and necessary" came to be recognised a year later in Islamabad (August 1982) as having gained "irreversible momentum". At the Dhaka meeting (March 1983) they reaffirmed their earlier agreement to raise the initiative to political level in order to take it to the "stage of launching implementation". The Bangladesh Foreign Minister, A.R. Shams-ud-Doha in his inaugural address to the meeting of the foreign secretaries on 28 March 1983 said:

> This meeting of Foreign Secretaries at Dhaka constitutes the fourth critical stage of the preparatory build-up: the phase of *implementation*. You are charged with deciding the modalities for launching South Asian regional cooperation and for recommending a precise timing, venue and agenda for the political level meeting that can institute this process. (para 13)

It may be marked that the "phase of implementation" has been envisaged as a part of the "preparatory build-up" that comprises the activities so far. It is only now onwards, when the process enters into a post-preparatory build-up stage that the real impact of interaction between and a careful weighing of, the potentialities of and impediments to regional cooperation in South Asia would be felt. The calculus of the potentialities and the impediments suggests that the process of the evolution

of regionalism in its scope, pace and institutionalization will generally be slow and cautious, advancing only inch by inch.

This is because the potentialities seem to be less powerful and their gains distant as compared to the impediments which continuously keep absorbing the interests and energies of South Asian decision makers. The powerful impact of the impediments in the short run delude these decision makers from fully assessing the long-term advantages offered by the potentialities. However, the hope for future lies in the fact that hitherto no serious attempt was made to impart awareness and arouse conscious realization of the potentialities of cooperation. Until the Bangladesh initiative, no concerted effort to remove even the technical and infrastructural impediments was collectively undertaken, a task which the foreign secretaries of the seven South Asian countries have assigned to themselves in right earnestness. The international pressures being generated in favour of regional cooperation by the UNCTAD, Non-aligned Movement, the Group of 77, and such independent agents as the Brandt Commission, will go a long way in maintaining a proper tempo and atmosphere.

A basic answer to politico-strategic impediments lies in the creation of a strong "political will" in South Asia in favour of regional cooperation. But "political will" is more of a concept and a cliche. In terms of concrete reality "the political will" has always been an illusive and slippery phenomenon which depends upon the outcome of various complex considerations that keep changing in an unpredictable manner. One area where such unpredictable change may affect the process of regional cooperation in South Asia in a very significant way is that of the stability and continuity of the existing political regimes in the region. Some of the South Asian regimes are inherently unstable. If past history and current reports are any guide, the regimes of Pakistan and Bangladesh come into this category. If they fall, the attitudes of their successors towards the present move would be crucial in its further progress. It may however be recalled that the changes in Bangladesh from Zia-ur-Rahman to Lt. Gen. Ershad (1981-82) and also in India from the Janata rule to Mrs. Gandhi in 1980, did not result into a long-term setback to the process of regional cooperation. But future regime changes in South Asia may be of a different

nature and a different magnitude. In fact this is an area where nothing definitive can be said, though hopefully, as the regional cooperation process advances, any attempt to reverse or halt it may become increasingly difficult and costly.

The regional cooperation process would receive an impetus as the existing vested interests around this process start asserting themselves. It would further help if such new interests are created that will have deep stakes in continuing and strengthening this process. This can happen only when the regional co-operation process is broadened so that it goes beyond the exclusive parameters of the State structure in South Asia and in addition, involves the society as a whole. Particularly, the active involvement of the conscious and articulate non-governmental sections of South Asian societies such as academics and scholars, journalists, industrialists and businessmen, scientists and technicians, cultural organisations and artists etc., when activised in the cooperation process may contribute a great deal in advancing it. These sections of society would then act as powerful lobbies and pressure groups to keep the governments and regimes committed to regional cooperation. For instance, it is perhaps the persistent pressure of the sections of business community (importers) and some industrial houses like that of Adamjee's that has led the Pakistani government consider the possibility of liberalising trade relations with India.[2] In this respect, the final decision would depend on various other factors including the overall thrust of Indo-Pakistani relations. It may also be noted here that a softening of Pakistani attitude on bilateral trade with India will not necessarily mean a similar change in Pakistan's position on the question of trade as an area for study and action for co-operation in the regional forum in South Asia.

Thus, though political factors would eventually decide vital economic decisions the fact that there may be people and groups to speak and argue in favour of regional cooperation is very important from the long-term point of view. Because these groups and interests may gradually gear the political factors in the desired direction of regional cooperation. This would help the South Asian move advance in a functionalist framework in a manner that had been envisaged by the father of the present initiative, the late President Zia-ur

Rahman. He in his letter had written to his counterparts in the region:

> In fact the beginning of cooperation on a regional basis may be a positive force in generating a climate of harmony conducive to a better perception of what the countries in the region have in common. . . . Regional cooperation in South Asia must be both pragmatic and realistic in outlook. Such cooperation is intended to grow step by step in the economic, social and cultural spheres.

Subsequently, the way in which the areas of cooperation have been identified by the foreign secretaries also seems to be in conformity with the functionalist framework.

As discussed in the previous chapter, one of the sources of suspicions and apprehension for expanding regional cooperation in South Asia arises from unequal levels of economic development and capabilities. Because of this, the capacities of the South Asian states to bear the costs of cooperation are also unequal. Some of the countries like Bhutan and Maldives find it extremely difficult to bear even the cost of participation in various meetings of the foreign secretaries, Committee of the Whole, Study Groups, Working Groups etc. If they are to understand that their shares in the benefits of regional cooperation would be in proportion to their investments, their interest in the process of building regional cooperation would be completely lost. Accordingly, the benefits will have to be equitably (if not equally) shared irrespective of the costs borne. Here, four conditions identified as 'necessary' by Aaron Segal for regionalism in the third world are worth taking note of. These conditions are that the proposed regional cooperation venture:

(i) must offer economic benefits to each unit including an arrangement on the distribution of benefits,
(ii) must not threaten existing beneficial relationships or they must be replaced with new ones (equally beneficial),
(iii) must not constrain the policy of nation building,
(vi) must not threaten the bases of support of existing national political elites.[3]

The relevance of these conditions in South Asia is self-evident. Therefore, once the South Asian move of regional cooperations takes off for the implementation stage and gathers momentum so as to start yielding benefits, a need for balanced and mutually satisfying sharing arrangements and agreements in economic, socio-cultural and politico-strategic fields would be felt seriously. There are no indications at present to show that the distributive sharing (of gains) aspect is on the agenda of the deliberations among South Asian countries on regional cooperation. India being the biggest and the strongest member of the South Asian community will be well advised to show greater appreciation and accommodation towards its neighbour's susceptibilities, aspirations and requirements. India's neighbours on the other hand may have to respond by avoiding being unduly sensitive and unnecessarily outward looking. They may have to respect and follow the logic of hard regional realities in socio-economic and politico-strategic matters without compromising on their legitimate interests. It is only such a give and take attitude that will open the way for building a genuine interdependence in the region through the present initiative of regionalism.

The present South Asian proposal is flanked by two regional cooperation moves, one each on its west and east namely the Gulf Cooperation Council (GCC) and the ASEAN respectively. There is a natural temptation to argue that South Asia should model its regional cooperation on the pattern of these two neighbouring experiments.[4] A case is also being made that South Asia should establish regional links with the ASEAN. The Bangladesh's initial proposal had indirectly hinted at it. Subsequently, Pakistan's President Zia endorsed it and supported the idea of a "working partnership between the two regional communities for peace and prosperity in Asia", while he was on a state visit to Thailand in November 1982. Sri Lanka went far ahead of all. It not only favoured this idea but went to the extent of seeking membership of the ASEAN in May 1981, soon after hosting the first meeting of South Asian Foreign Secretaries.

The arguments and attempts to imitate the ASEAN model and establish institutional links of the South Asian regional co-operation with the ASEAN or any other regional grouping are

not very sound. There are many reasons for that. The strategic objectives and orientations of both the GCC and the ASEAN are pro-Western. In the GCC, preoccupation of the traditional regimes with their security problems arising out of the challenge from the domestic forces of modernization is dominant. The South Asian move is very different in this respect. There has yet to emerge a viable strategic perspective based upon mutual consensus and harmony. If and when such a collective strategic view emerges it can neither be pro-Soviet nor pro-Western in its orientation. It will have to be a truly non-aligned and authentically regional perspective. Economically, both the ASEAN and the GCC are dependent upon Western economies. In South Asia such a total dependence is neither possible nor desirable. Then there is no parallel of the socio-cultural, economic and regional power characteristics of South Asia in the ASEAN or the GCC. Finally, the ASEAN and the GCC may not be very willing to forge links with South Asia for their own reasons. After all, Sri Lanka's attempt to seek the ASEAN membership was generally cold shouldered by most of the ASEAN countries themselves.[5] The ASEAN countries were worried not only about Sri Lanka's level of poverty but also about the prospects of India and Bangladesh, having stronger geographical claims, to follow Sri Lanka's example and seek the ASEAN membership. It may be useful here to recall that during the first generation of regionalism attempts, India's initiatives to evolve a larger canvass for regionalism including countries from the Persian Gulf as well as South East Asia did not succeed. It is only in the 1980s that for the first time a more compact South Asian region has been identified for building regional cooperation. And so far, this seems to be working alright.

South Asia's own commitment to evolve itself into an autonomous and independent example of regional cooperation is the first pre-condition. If still any country is entertaining hopes for imitations and linkages to pursue its specific strategic designs, such hopes need to be given up as unrealistic. But this may not prove to be an adequate safeguard. There are and would be more interested influences from outside the region to give the South Asian venture in regionalism a form and direction suitable to their specific concerns. It is unrealistic and naive to imagine a situation where intra-regional interactions in

South Asia, or for that matter any other part of the world, can be kept completely insulated from the implications of world economic, political and strategic forces. Such insulation or isolation is neither possible nor desirable. At the same time the attempts of the extra-regional powers, often in collaboration with one of the regional states to distort or subvert the endeavour to build indigenous and genuine regional cooperation, through economic penetration or, in extreme cases, political destabilization and conflict precipitation need to be resisted. What P.N. Haksar in a seminar pleaded for is relevant here. He said:

> We must certainly explore and promote the concept of South Asian regional co-operation. Such a cooperation must not be "sponsored" cooperation. It must not be under the influence of some undisclosed principles. It must arise out of and grow in response to a realisation on the part of each of the governments that cooperation corresponds to the vital interests of peace, security and development of the region as a whole. It must evoke enthusiasm of peoples concerned.[6]

South Asian statesmen therefore need to tackle the extra-regional influences coming through economic aid to regional cooperation schemes or through other means, in such a way that desirable and conducive influences are properly harnessed and those with insincere and harmful motives are subtly turned back or made ineffective. Then only South Asian regionalism can evolve as a model of real collective self-reliance. A great deal of diplomatic maturity and sense of unity and purpose will be called for on the part of South Asian countries in pursuing this objective.

NOTES

[1]See for instance Tariq Ali, *Can Pakistan Survive*, Penguin Books, 1983. An important Bahrain paper *Arabia* has also predicted the fall of Gen. Zia's regime. *The Times of India*, 13 June 1983.

[2]Mr. Manzoorul Hasan, leader of a Pakistani trade delegation and

Secretary Industries, to the Sind Government disclosed that Pakistan was "actively considering" opening of Wagah border to facilitate increased trade with India. The delegation had discussions with Punjab, Haryana and Delhi Chamber of Commerce and Industry (PHD) in New Delhi. *The Statesman* (Delhi), 12 June 1983.

[3]Aaron Segal, "The Integration of Developing Countries: Some Thoughts on Africa and Central America", *Journal of Common Market Studies*, vol. 2, June 1967, p. 263. Also see, Andrew Axline "Under-development, Dependence and Integration: The Politics of Regionalism in the Third World", *International Organization*, vol. 31, no. 1, 1977, pp. 83-105.

[4]J.D. Sethi, "Extended Regional Cooperation", in *South Asia: Stability and Regional Cooperation*, M.S. Agwani and others (eds.), CRRID, Chandigarh, 1983, pp. 50-67.

[5]S.D. Muni, "South Asia and ASEAN: Vain Bids for Linkages", *The Times of India*, 17 November 1982; Pran Chopra, "Why South Asia and How", *World Focus* (New Delhi), vol. 3, no. 3, March 1982, pp. 3-8.

[6]P.N. Haksar's concluding remarks at a Seminar on "South Asia: Stability and Regional Cooperation", in Chandigarh, in January 1983, n. 4.

DOCUMENTS

1

Joint Communiques of the Foreign Secretaries Meetings (Official Texts)

A. FIRST MEETING, COLOMBO APRIL 21-23, 1981

1. At the invitation of the Government of the Democratic Socialist Republic of Sri Lanka, the Foreign Secretaries of Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka, met in Colombo from 21st to 23rd April 1981, in pursuance of the initiative taken by His Excellency President Zia-ur-Rahman of Bangladesh to consider the possibilities of establishing regional cooperation among the countries of South Asia.

2. The Foreign Minister of Sri Lanka, the Honourable A.C.S. Hameed, inaugurated the meeting with a keynote address emphasizing the importance of regional cooperation. He drew attention to the commitment of Sri Lanka to the ideal of an integrated regional approach to the common problems and common aspirations of the peoples of South Asia. The Foreign Minister welcomed the initiative of the President of Bangladesh which led to the convening of this meeting of Foreign Secretaries. Regional cooperation, he stressed, can enable countries to derive strength from each other, whether by way of enhanced trade, institutional linkages, sharing of technology, improved human resources or mutual investment. The objective of such cooperation was to develop collective self-reliance as a parallel strategy to global economic cooperation. He exhorted the Foreign Secretaries to work constructively for the establishment of a framework for regional cooperation in South Asia.

The Foreign Secretary of Bangladesh speaking on behalf of

the Foreign Secretaries of South Asia thanked the Foreign Minister of Sri Lanka for his inspiring address.

3. The Foreign Secretaries elected by acclamation Mr. W.T. Jayasinghe, Foreign Secretary of Sri Lanka, as the Chairman of the meeting.

4. The Foreign Secretaries noted that this was the first occasion on which they were meeting together in a South Asian regional context. They stressed the historic significance and importance of the meeting which was a manifestation of the will of the seven countries to cooperate regionally. It was agreed that regional cooperation in South Asia is beneficial, desirable and necessary. They noted the need to proceed, step by step, on the basis of careful and adequate preparation for early realization of such cooperation.

5. The Foreign Secretaries agreed that the Bangladesh Paper provided a basis for their discussions.

6. They agreed that decisions should be taken on the basis of unanimity. They further agreed that bilateral and contentious issues should be excluded from their deliberations.

7. They agreed that regional cooperation should be based on and in turn contribute to mutual trust, understanding and sympathetic appreciation of the national aspirations of the countries of the region. Such cooperation should also be based on respect for the principles of sovereign equality, territorial integrity, political independence, non-interference in internal affairs of other States and mutual benefit.

They further agreed that regional cooperation was not intended or expected to be a substitute for bilateral and multilateral cooperation but could complement both; nor should it be inconsistent with bilateral and multilateral obligations.

8. The Foreign Secretaries noted that the South Asian countries are cooperating with one another and with other developing countries in various international forums. They agreed that efforts should be made to strengthen this cooperation, particularly on matters of common interest.

9. The Foreign Secretaries agreed that there were several areas in which mutually beneficial regional cooperation could take place and in this connection took note of the areas of cooperation mentioned in the Bangladesh Paper. As an initial step, they agreed that five Study Groups would be set up in the

fields of:

1. Agriculture
2. Rural Development
3. Telecommunications
4. Meteorology
5. Health and Population Activities

10. Each of these groups would have a coordinator country. It was agreed that the coordinator countries for the various Study Groups would be the following:

1. Agriculture	—	Bangladesh
2. Rural Development	—	Sri Lanka
3. Telecommunications	—	Pakistan
4. Meteorology	—	India
5. Health and Population Activities	—	Nepal

These groups would conduct in-depth studies and make concrete recommendations to the next meeting of Foreign Secretaries, which will be convened within six months.

11. The Foreign Secretaries agreed that the Terms of Reference for these Study Groups would be as follows:

(i) Review existing cooperative arrangements pertaining to the region.

(ii) Determine the potential and the scope of regional cooperation and the overall benefits and costs of such cooperation to the countries of the region.

(iii) Draw up a work programme incorporating:

(a) Ways and means of establishing and strengthening regional cooperation;
(b) Specific Projects/Programmes in each area;
(c) Arrangement for implementing and monitoring the work programme.

(iv) Make such other recommendation as may be appropriate.

12. The Foreign Secretaries also agreed to set up a Committee of the Whole comprising Senior Officials of the seven countries to identify and report on other areas of possible cooperation for consideration at their next meeting.

It was decided that Sri Lanka would be coordinator country for the Committee of the Whole. It was further decided that all countries would nominate their representatives of this Committee and send information in this regard within three weeks to the Foreign Office of Sri Lanka. The First Meeting of the Committee of the Whole would be convened not later than August 1981.

13. The Foreign Secretaries agreed to examine at their next meeting whether the stage had been reached to recommend to the Foreign Ministers the convening of a meeting at their level.

14. The Foreign Secretaries considered the institutional arrangements for regional cooperation set out in the Bangladesh Paper and agreed that this matter needed further examination.

15. The Foreign Secretaries agreed that Kathmandu, Nepal will be the venue for their next meeting.

16. At the conclusion of their meeting the visiting Foreign Secretaries expressed their sincere and warm appreciation to the Government of the Democratic Socialist Republic of Sri Lanka for the excellent arrangements made for the meeting and the generous hospitality accorded to all the delegates.

Colombo,
23 April 1981

B. SECOND MEETING, KATHMANDU NOVEMBER 2-4, 1981

1. At the invitation of His Majesty's Government of Nepal, Foreign Secretaries of South Asian countries comprising Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka met in Kathmandu from 2 to 4 November 1981, in accordance with the decision of their first meeting held in Colombo in April 1981.

2. The Foreign Secretaries elected by acclamation Mr. Jagdish S.J.B. Rana, Foreign Secretary, His Majesty's Government of Nepal, as the Chairman of the meeting. They also expressed their appreciation for the valuable work done by the Chairman of the first meeting, His Excellency, Mr. W. T.

Jayasinghe, the Foreign Secretary of Sri Lanka.

3. The Rt. Hon'ble Prime Minister and Minister of Foreign Affairs, Mr. Surya Bahadur Thapa, inaugurated the meeting with a keynote address stressing the importance of Regional Cooperation to meet the growing challenges of peace and development facing the countries of South Asia. The Prime Minister pointed out that the concept of regional cooperation was a logical response to the pressing problems of development and the interdependent nature of the contemporary world and added that cooperation and a common approach were needed to fight the battle against widespread poverty in the countries of the region and to minimise the adverse impact of external factors on their development efforts. He observed that such programme of cooperation would revitalise the economies of the region and add incentive and strength to national development efforts which were being undertaken by each member country to improve the lot of their respective peoples. The Prime Minister urged the Foreign Secretaries to direct their efforts towards working constructively for the early realization of the common goal of regional cooperation.

4. The Foreign Secretary of India, His Excellency, Mr. R.D. Sathe, speaking on behalf of the Foreign Secretaries of South Asia, thanked the Rt. Hon'ble Prime Minister and Minister of Foreign Affairs of Nepal for his inspiring address.

5. The Foreign Secretaries reiterated that regional cooperation in South Asia was beneficial, desirable and necessary and reaffirmed the determination of their respective countries to cooperate with each other in development and accelerating the process of such cooperation.

6. The Foreign Secretaries paid warm tributes to the vision and statesmanship of the late President Zia-ur-Rahman of Bangladesh for initiating the proposal for South Asian Regional Cooperation.

7. The Foreign Secretaries considered and endorsed the recommendations of the five Study Groups established in their meeting in Colombo. They recognised that these recommendations fall into broad categories of classification viz. those that were amenable to immediate implementation of cooperative activities on the one hand and those that were long term in nature requiring a longer gestation period on the other.

8. In this connection, the Foreign Secretaries agreed on the need for establishing appropriate modalities for implementation of the recommendations. They agreed to convert the existing Study Groups into Working Groups in each of the five areas of cooperation already identified. The Chairmanship of the Working Groups would be by rotation, the periodicity of which would be initially determined by each group. The present coordinators of the five Study Groups would act as the first Chairman of the respective Working Groups. They further agreed that the Foreign Secretaries will meet from time to time to review recommendations, monitor progress and lay down guidelines for further action.

9. The Foreign Secretaries agreed that the major task of each Working Group would be to draw up a comprehensive programme of action for cooperation in both the immediate and long-term phases.

The immediate action programme would include such components as:

(a) Exchange of data and information,
(b) Exchange of experts, training facilities, scholarships etc.,
(c) Organization of seminars, workshops etc. on a regional basis.

The long-term programme of action would inter-alia include:

(a) Assessment of needs and resources,
(b) Preparation of specific projects of a regional nature,
(c) Modalities for financing the projects.

10. The Working Groups would report progress both with regard to the implementation of the immediate action programmes as well as for the processing of the long-term programmes for the consideration of the Foreign Secretaries at their meetings to enable them to set out further course of action.

11. The Foreign Secretaries reviewed the conclusions of the Committee of the Whole and endorsed its report. They were mindful of the need to view regional cooperation as an evolutionary process to be seen in a long-term perspective, as well as a flexible process which would permit the elaboration of cooperative arrangements in as many fields as are mutually agreed upon. Recognizing that they had already agreed upon

the modalities and terms of reference at their meeting in Colombo in April 1981, they agreed for the present to institute studies in the following additional areas of cooperation:

	Coordinator Country
1. Transport	Maldives
2. Postal Services	Bhutan
3. Scientific and Technological Cooperation	Pakistan

12. The Foreign Secretaries recognised that it would be beneficial to promote cooperation among the official national planning organisations of the countries of the region and agreed to initiate action with a view to discussing this matter in greater depth at their next meeting.

13. The Foreign Secretaries agreed to hold their next meeting within six to eight months to consider the implementation of their agreed decisions on regional cooperation. They also agreed to remain in consultation during this period with a view to recommending at the next meeting to their Ministers the convening of a meeting at their level in 1982.

14. The Foreign Secretaries agreed that the venue of their next meeting should be finalised by the current Chairman in consultation with other colleagues.

15. At the conclusion of their meeting the visiting Foreign Secretaries expressed their sincere and warm appreciation to His Majesty's Government of Nepal for the excellent arrangements made for the meeting and generous hospitality extended to all the delegates.

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Kathmandu,
4th November 1981.

C. THIRD MEETING, ISLAMABAD AUGUST 7-9, 1982

At the invitation of the Government of the Islamic Republic of Pakistan the Third Meeting of the Foreign Secretaries of Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka was held in Islamabad from 7 to 9 August 1982. The first two meetings were held in Colombo in April 1981 and in Kathmandu in November 1981.

2. The Foreign Secretaries elected by acclamation Mr. Niaz A. Naik, Foreign Secretary, Government of the Islamic Republic of Pakistan as the Chairman of the meeting. They expressed their appreciation of the valuable work done by the Chairman of the Second Meeting Mr. Jagdish S.J.B. Rana, Foreign Secretary of His Majesty's Government of Nepal.

3. The Foreign Minister of Pakistan, His Excellency, Sahabzada Yaqub Khan, inaugurated the meeting. In a keynote address, he expressed satisfaction over the progress already made in identifying the scope of regional cooperation in various areas. He underlined the equal stake of all the countries of the region in the preservation of peace and security and the promotion of mutual confidence and cooperation as a means for the realisation of the aspirations of their peoples for more rapid economic and social progress. He also stressed the need for ensuring an equitable distribution of the benefits of cooperation among all the countries of the region.

4. On behalf of the Foreign Secretaries, Mr. W.T. Jayasinghe, Foreign Secretary of Sri Lanka thanked the Foreign Minister of Pakistan for his inspiring address.

5. The Foreign Secretaries decided that the address by the Foreign Minister should form part of the official record of their meeting.

6. The Foreign Secretaries reaffirmed the commitment of their countries to promote and strengthen cooperation among themselves Noting that the process had acquired an irreversible momentum they expressed the determination of their Governments to accelerate the pace of regional cooperation.

7. The meeting considered the reports of the Study Groups on Transport, Postal Services and Scientific and Technological Cooperation. The Foreign Secretaries noted with satisfaction

that the Study Groups had completed the task of investigating the scope and feasibility of initiating regional cooperation in their respective areas, and unanimously endorsed the recommendations contained in these reports. They decided to convert the Study Groups into Working Groups under the Chairmanship of the present coordinating countries.

8. The Foreign Secretaries considered the reports of the Working Groups on Agriculture, Rural Development, Telecommunication, Meteorology and Health and Population Activities and endorsed their recommendations on programmes of cooperation.

9. The Foreign Secretaries agreed that the implementation of the recommendations of the five Working Groups should be initiated as expeditiously as possible, where the expenditure for such programmes could be met from available financial resources. Action in this regard would be coordinated by the Chairman of the respective Working Groups.

10. The Foreign Secretaries agreed that the Chairmanship of the Working Groups would be for a period of two years and rotate in alphabetical order.

11. Recalling the agreement at Kathmandu regarding the promotion of cooperation among the official national planning organizations of the countries of the region, the Foreign Secretaries recommended the holding of a meeting of representatives of the respective national planning organizations of the seven countries at an appropriate level in New Delhi prior to the next meeting of the Foreign Secretaries.

12. The Foreign Secretaries agreed that regular consultations should be held by the representatives of the countries of the region, as deemed appropriate, on matters of common interest relating to international economic issues.

13. The Foreign Secretaries agreed to constitute a Study Group on Sports, Arts and Culture. It was agreed that the Committee of the Whole would nominate the coordinator for this Study Group.

14. The Foreign Secretaries reiterated the agreement of their Governments on the importance and imperative necessity of holding a Ministerial meeting at an early date. They agreed to recommend to their Foreign Ministers to convene a meeting at their level between May and September 1983, to be preceded

by a preparatory meeting of the Foreign Secretaries. The Foreign Minister of Pakistan was requested to undertake consultations with his counterparts with a view to fixing the dates and venue of the Ministerial meeting.

15. In order to ensure adequate preparations for the Ministerial meeting the Foreign Secretaries agreed on the following programme:

(a) Meeting of the Working Groups on Transport, Postal Services and Scientific and Technological Cooperation in accordance with the terms of reference contained in paragraph 9 of the Joint Communique issued by the Kathmandu Meeting, and with a view to facilitate the task entrusted to the Committee of the Whole in pare 17 below.

(b) Meetings of the Working Groups on Agriculture, Rural Development, Telecommunication, Meteorology and Health and Population Activities to elaborate where necessary, recommendations with a view to facilitate the task entrusted to the Committee of the Whole in paragraph 17 below.

16. The Foreign Secretaries envisaged that the Working Groups would complete their task by the end of November 1982, and submit their reports to the Committee of the Whole.

17. The Foreign Secretaries decided to set up a Committee of the Whole under the Chairmanship of Sri Lanka to prepare, on the basis of the reports of the Working Groups, an integrated programme of action in the agreed areas of cooperation and to recommend modalities and mechanisms for implementation, coordination and monitoring of the agreed programme of action, and to the extent possible, provide indications of the financial implications of the short-term component of the integrated programme of action, and recommend funding modalities and arrangements for its long-term component.

18. The Committee of the Whole, comprising senior officials of the seven countries, would be assisted by the Chairman of the eight Working Groups. It would meet not later than mid-January 1983.

19. The Foreign Secretaries accepted with pleasure the

invitation of the Government of the People's Republic of Bangladesh to hold their next meeting at Dacca in February or March 1983. At that meeting they would examine the report of the Committee of the Whole and finalise preparations for the Ministerial level meeting. The dates of the Foreign Secretaries meeting would be fixed after consultations to be undertaken by the current Chairman.

20. The visiting Foreign Secretaries expressed their appreciation to the Government of the Islamic Republic of Pakistan for the excellent arrangements made for the meeting and generous hospitality extended to their delegations.

Islamabad
9th August 1982.

D. FOURTH MEETING, DHAKA MARCH 28-30, 1983

At the invitation of the Government of the People's Republic of Bangladesh the Fourth Meeting of the Foreign Secretaries of Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka was held in Dhaka from 28-30 March 1983. The earlier meetings of the Foreign Secretaries were held in Colombo in April 1981, in Kathmandu in November 1981 and in Islamabad in August 1982.

2. The Foreign Secretaries elected by acclamation His Excellency Mr. A.H.S. Ataul Karim, Foreign Secretary, Government of the People's Republic of Bangladesh as the Chairman of the meeting. They expressed their appreciation of the valuable work done by the Chairman of the Third Meeting His Excellency Mr. Niaz A. Naik, Foreign Secretary, Government of the Islamic Republic of Pakistan.

3. The Foreign Minister of Bangladesh, His Excellency Mr. A.R. Shams-ud-Doha inaugurated the meeting. In his keynote address he underlined the abiding ties of friendship of the seven countries of South Asia and their firm commitment to promote regional cooperation in the realisation of their fundamental goal to improve the quality of life of their people and to secure lasting peace and solidarity in the region. He recalled

that the previous meetings of the Foreign Secretaries had laid a solid foundation for progressive development of cooperative programmes at the regional level from the conceptual stage through the feasibility phase and to the stage of consolidation. He stressed that the preparatory phase had adequately advanced so as to permit effective implementation of a comprehensive programme of action and the convening of a political level meeting that could accelerate the process of regional cooperation.

4. On behalf of the Foreign Secretaries, His Excellency Mr. Bishwa Pradhan, the Foreign Secretary of His Majesty's Government of Nepal thanked the Foreign Minister of Bangladesh for his inspiring address.

5. The Foreign Secretaries decided that the address by the Foreign Minister should form part of the official record of their meeting.

6. The Foreign Secretaries considered the report of the meeting of the Committee of the Whole, convened in pursuance of the directives laid down in paragraphs 15-18 of their Islamabad Joint Communiqué. The report recommends an Integrated Programme of Action comprising activities amenable to short-term as well as long-term cooperation, defines modalities for its implementation at the sectoral level by the technical committees and its coordination and monitoring at the regional level by a Standing Committee as well as elaborate guidelines and arrangements for its financing. The Foreign Secretaries expressed their deep appreciation of the excellent work done by the Committee of the Whole as well as Sectoral Working Groups in fulfilling their mandate. The meeting fully endorsed the recommendations contained in the report of the Committee of the Whole and decided to recommend the adoption of the Integrated Programme of Action by their Foreign Ministers at their meeting which would formally launch its implementation.

7. The Foreign Secretaries decided that the Committee proposed for coordinating and monitoring the Integrated Programme of Action at the regional level should be designated as the Standing Committee and be constituted at their level. They further agreed that the Standing Committee would meet at least once a year and as often as it deemed necessary. The Foreign Secretaries could also call for convening of expert

level meetings whenever the discussion of technical issues might warrant.

8. The Foreign Secretaries agreed that all efforts should now be made for expeditious implementation of the Integrated Programme of Action. Considering that South Asian Regional Cooperation is an evolutionary process, they further agreed that studies be initiated in due course to identify additional areas of cooperation.

9. Recognising the progress that had already been achieved in developing a framework for structured regional cooperation in South Asia, the Foreign Secretaries affirmed their belief that necessary preparatory work for a Ministerial level meeting had been successfully completed and that the stage for launching implementation of regional cooperative activities had now been reached. They recalled the earlier agreement of their Governments on the importance and imperative necessity of holding a Ministerial meeting at an early date and accordingly agreed to recommend to their Foreign Ministers to convene a meeting at their level between the last week of July and the first week of August 1983 with a view to launching the Integrated Programme of Action. The meeting of Foreign Ministers would be immediately preceded by a meeting of Foreign Secretaries.

10. It was agreed that the meeting of Foreign Ministers be held at New Delhi. The precise dates for this meeting are to be decided upon through consultations.

11. The Foreign Secretaries noted with satisfaction the report of the meeting of the representatives of national planning organizations of the seven countries, held in New Delhi from 24-25 January 1983 and agreed that it would be useful to hold such meetings periodically.

12. The Foreign Secretaries noted with appreciation that India as the Coordinator country of the Study Group on Sports, Art and Culture would convene its first meeting at a very early date.

13. The Foreign Secretaries welcomed the offers of assistance received from the EEC and ITU for activities connected with regional cooperation in South Asia.

14. The visiting Foreign Secretaries expressed their appreciation to the Government of the People's Republic of Bangladesh for the excellent arrangements made for the meeting and

the generous hospitality extended to their delegations.

15. The visiting Foreign Secretaries expressed gratitude for the honour of having been received by the President of the Council of Ministers of the People's Republic of Bangladesh, His Excellency Lieutenant General H.M. Ershad, ndc, psc.

Inaugural Address to the Foreign Secretaries Meeting (Official Texts)

ADDRESS OF A.C.S. HAMEED, FOREIGN MINISTER OF SRI LANKA
APRIL 21, 1981, COLOMBO

In greeting you today, I have decided to omit the formal assurance of warmth and hospitality in our welcome to visitors. The omission is deliberate, but is not meant to be offensive. On the contrary, it is meant to draw attention to the fact that any restatement of our welcome would be redundant. For, surely each one of you must know already—with the same certainty of a Sri Lankan visiting any one of your countries—that a pleasant and pleasurable reception is automatic to all of you—that is beyond doubt, and therefore beyond the need for reiteration. You are truly at home here, as we are at home in your countries. In a very real sense, we are all part of the same extended family. Our asianness makes us one. So, instead of talking to you about friendship and hospitality in our island home, a friendship and hospitality which are already assured, let me instead greet you in terms of the importance of the tasks, responsibilities, and challenges that lie ahead of you.

A history occasionally bestows on groups of people the challenge and the opportunity of decisively influencing and directly shaping human destiny. You form such a group, chosen by history to make history. From that point of view, you are both fortunate and favoured. My greeting to you, therefore, takes the form of a salutation. I acknowledge the profound impor-

tance of the role you have been called upon to play, and I commend you for undertaking that role. I urge, as well, that in approaching your tasks you keep in mind continuously the impact that your deliberations can have on the lives of about a fifth of the entire human family. That, Gentlemen, must surely give you a sense of exhilaration, and inspire you to work singlemindedly at outlining the broad framework for regional cooperation in South Asia. Yours is not just another conference, not just another time for recording debating points. Yours is an opportunity to create a turning point in the affairs of our peoples.

Interest in regional cooperation has been increasingly felt in all our capitals. Here in Sri Lanka, we are both pleased and privileged that our capital has served as the focal point for harnessing those interests. It was here, I should remind you, that the word non-alignment entered the lexicon of international relations. It was here that the historic decision was taken by the Colombo powers to hold a post-colonial gathering of once-subject peoples, at Bandung. It was here, too that the Colombo Plan was born. Each of those events had implications which extended beyond our region, to be sure. At the same time, they expressed the stirrings felt within our region, stirrings which are felt even today and which, indeed, have brought you together.

Just as much as Colombo has served as a focal point for different forms of cooperation, successive governments of Sri Lanka have strongly endorsed and supported the idea of an integrated regional approach to our common problems, and towards our common aspirations. As far back as in 1947 when the Asian Relations Conference was held in New Delhi, Sri Lanka's officially-stated hope was that the momentum set in motion by that conference would lead eventually to the creation of a structure of cooperation in our region. We have continued to hold that view, and it was that same spirit which moved us in our various exertions connected with the Colombo Plan, the Bandung Conference, and the evolution of a Non-Aligned Movement. Our own commitment to Non-Alignment was and remains built on a firm Asian Philosophical Base.

H.E. President J.R. Jayewardene has long maintained a close interest in regional cooperation. This is partly because of

his deeply and strong-held belief that self-reliance is at the core of Human Development. It also reflects his interest in ensuring that economic and political structures should be in harmony with philosophical and cultural traditions—and these are common to our region. Against that background, H.E. has touched on regional co-operation in his recent discussions with Heads of State or Government in the region. On the basis of these discussions, as well as on the basis of soundings I have myself had occasion to make, we have good reason to hope that the time is appropriate for moving in the direction of formalised regional cooperation. We welcome the recent initiative of the President of Bangladesh, which directly led to your meeting. We appreciate the collective and positive response to that initiative from all Governments of the region. That response is more than adequate proof that the will to cooperate exists—one of your tasks is to examine in what forms and in which areas that will should be collectively expressed.

Formally structured regional cooperation usually involves the establishment of an association of states in a contiguous geographical area for the purpose of promoting and safeguarding the interests, whether they be political or economic, of participating member-countries. Whether the States of South Asia should seek the establishment of such a formal association, or whether they should initially be content with a less formal structure which will evolve into an integrated association over the years is a matter that you will have to consider, as well as your Foreign Ministers and Heads of State or Government. Whatever form regional cooperation takes, however, your discussions and others which follow must take into account the advantages to all our peoples that can accrue from regional collectivity. Of course, the development of a country, and thereby the self-improvement of its people, is fundamentally a national responsibility. That responsibility cannot be shifted on to neighbouring shoulders.

The goals of development and the structures of development must also come from deep within a nation's own needs, hopes, and traditions. But the external environment has an influence on domestic programmes. Regional cooperation can help to bring about improvements in the external environment in such a way that it assists and exerts a positive influence on

the development process within individual countries. Equally, regional cooperation can enable countries to derive strength from each other, whether by way of enhanced trade, institutional linkages, a sharing of technology, improving human resources, or mutual investment. This, in turn, can lead to the creation of a regional environment characterized by both political stability and human development. From the year beginning, therefore, we should view regional cooperation not as some fancy intellectual exercise, nor as merely a means of harmonizing an assortment of regulations, nor as merely occasion for meaningless platitudes, but as truly a constructive element in the development process. Development is for people. Regional cooperation must help to improve the lives of people. If that is our starting point, then our priorities actually define themselves. They will include the following:

First: Closer cooperation in international foram in relation to all matters directly concerning the peace, security and economic development of the region.

Second: The development of mechanism for unified negotiations in dealings with already established regional organisations.

Third: The possibility of settlement of disharmonies or disputes within the region without external interference or manipulation.

Fourth: The growth of collective self-reliance through regional, economic and technical cooperation, including expanded intra-regional trade and industrial complementarity. Agricultural cooperation is equally important.

Fifth: The use of collective self-reliance as a factor in negotiations leading to the establishment of a new international economic order.

Sixth: The encouragement of human interaction within the region through systematic cultural exchanges, tourism and institutional co-operation.

Seventh: In overall support of the above. A sustained programme of public information through which knowledge of each other can be shared at all levels.

Objective factors add a sense of urgency to your tasks. A series of events and trends have made it necessary for us to unite and work towards common goals with both dedication and speed. The international political and security

environment is tense, and fraught with many dangers. There are hopeful signs, to be sure, that the super powers might move in the direction of negotiated accommodation. We welcome this. But at the same time we have to protect our own interests. We must ensure that our own interests are neither hindered nor complicated by external involvement or interference. All our countries have long hoped for the establishment in our region of an area of peace free from confrontation. We will continue to endure the agony of unfulfilled hope if we do not work together at making that hope come true. We need at the same time to work cohesively at developing regional collective self-reliance as a parallel strategy to global economic negotiations.

The round of global negotiation which was due to commence earlier this year has not yet been scheduled. Pre-negotiation preparations have stumbled and been stalled in the Agenda-making process. I am optimistic enough to hope that global negotiation will commence eventually, perhaps after the North-South Mini-Summit now expected to be held in October. We don't need to wait for that. Indeed, we should not. Development cooperation at the regional level can be set in motion more swiftly, and across a wider sweep of areas, than is practicable in terms of international cooperation where more complexities and constraints exist. Moreover, a strong region, well aware of its own priorities and working collectively towards attaining these, can hook itself into the global system more effectively than a set of relatively weak States each contesting the same area.

The advantages of regional cooperation, thus, are very real. This should not blind us to the fact that the task of unifying the development activities of sovereign States, each with its own domestic obligations, is not simple. There are Psychological Barriers to be overcome; outmoded concepts to be discarded. We are fortunate, however, that despite the difficulties and perhaps differences, we are also sustained by a great deal of commonality. Geographically, our region is clearly definable. Historically and culturally, we share the same or a similar heritage.

The major religions of the world co-exist in our region. Non-Alignment is common to all our foreign policies. Our art,

architecture, literature, and music are strikingly similar. Our region's folklore—which expresses the genius of a people in distilled and homespun form—goes back to the same roots. And, although we are in different stages of development, our development needs and our development strategies have many common commonality, and not to be overawed by difficulties and differences. I invite you, also, to cast aside any fears, doubts, and any sense of hesitation that exist in the region. These are all the products of mind-sets which have not grasped the reality that creative collectivity can sustain our peoples. That is what we really must strive to achieve, with dedication and sincerity.

We can be emboldened by the fact that a substantial degree of regional interaction already exists. The level of bilateral activity within our region, for instance, is high. The public and private sectors in many of our countries have already begun to cooperate with each other. Our governments are active in a number of Asian Institutions. More recently our non-governmental institutions have begun to work closely with each other, specifically for the purpose of identifying areas for regional cooperation. Institutions in almost all our countries are now linked together in a series of sectoral studies as their contribution to planning for regional cooperation. At the same time, a number of studies are being conducted in the region, with assistance from UNCTAD, on international economic relations as they affect South Asia. The aim of these studies is to examine international economic issues concretely in specific national and regional contexts. In a sense, therefore, the region's scholars have already begun to do our work for us. Given our commonality, our high level of bilateral activity and existing forms of cooperation, the task ahead is really one of putting these pieces together in a cohesive and productive whole. As a politician, let me give you a politician's assessment that the pieces will be put together only when the political will to do this has been summoned. The fact that the governments which all of you represent have endorsed the holding of your meeting implies to me that the process of summoning that will has begun.

The process can be quickened by a carefully prepared summit meeting at which a declaration of intent is adopted, and the broad goals of regional cooperation defined. The

momentum that such a summit meeting creates will have to be maintained at the political level, at the official's level and through close interaction between government and non-government sectors thereafter. Your task, as I see it, is to prepare proposals covering all this activity and, after the proposals have been adopted at the highest political level, to ensure that they are transformed into living reality, undoubtedly, that is a challenging task. It should also be a rewarding one.

I have already talked to you about putting the pieces together. Let me take that thought a little further. I ask you to think of South Asia as potentially a superb engine capable of running at full speed. Today, some of the parts for the engine are lying around. Without them, the engine is coughing, spluttering, and moving slowly. Choose the correct parts, instal them in the proper places, and you will have a superb engine, capable of moving our people towards a state of well-being. Your responsibility is to put that engine together.

I wish you well in your endeavours.

Ministry of Foreign Affairs,
Republic Building,
Colombo 1,
21st April 1981.

INAUGURAL ADDRESS OF SAHABZADA YAQUB KHAN FOREIGN MINISTER OF PAKISTAN, ISLAMABAD, AUGUST 7, 1982

Mr Chairman, Excellencies,
Distinguished delegates,
Honoured Guests,

On behalf of the Government of Pakistan and on my own behalf, I would like to extend a cordial welcome to the distinguished Foreign Secretaries and members of the visiting delegations to the Third Meeting of the Foreign Secretaries of the South Asian Region. It is a matter of satisfaction to us that Pakistan has been privileged to host this meeting. We are all the happier at Islamabad's choice as venue for this august gathering as it underlines our abiding commitment to the

concept of regional cooperation and our manifest desire to promote more meaningful collaboration amongst the countries of our region which are linked together by long-standing ties of a shared history, a common cultural tradition and geographic contiguity.

This meeting in Islamabad is an integral part of the process initiated over two years ago by the late President Zia-ur-Rehman of Bangladesh, an outstanding statesman and an eminent advocate of cooperation in South Asia. It is a matter of gratification for all of us that in the short span of two years which have elapsed since the idea of regional cooperation was first put forward, the building of this regional edifice on a firm foundation has commenced in right earnest. During this brief period, our seven countries have not only successfully explored the possibilities of evolving collaboration, but have also identified and agreed upon eight specific areas of mutually beneficial cooperation. The commendable progress achieved so far is reflected in the fact that detailed programmes of action in some of the selected fields have been finalised which would now enable our respective governments to consider measures aimed at initiating joint cooperative schemes.

This meeting today bears eloquent testimony to our ability to reach consensus on complex issues, given the will to success on the basis of careful preparation and expectations tempered by realism. In these circumstances, it is our belief that we should move forward at a deliberate and measured pace, to enable us to consolidate the gains of each stage before proceeding to the next. It is to be expected that in tackling complicated problems of such crucial importance to the progress of the region, our diverse perceptions would, at times, reveal a measure of difference in terms of approach, emphasis and priority. This should not, however, deter us in the pursuit of our acknowledged objective but should strengthen our resolve to expand cooperation between South Asian countries to ensure the success of our joint endeavours.

By its very nature, regional cooperation is an evolutionary process which requires reconciliation of the interests and priorities of participating states so as to provide for an equitable distribution of the expected benefits. Progress in undertakings of such complexity cannot but be gradual and it would be

imprudent to expect dramatic break-throughs. This is borne out by the experiences of the two successful experiments in regional cooperation, namely, the European community and ASEAN, which have confirmed the wisdom of the incremental step-by-step approach.

Simultaneous with the objective of attaining greater economic prosperity within the South Asian region is the other imperative of reducing disparities, where they exist, among our seven countries. Thus, in our attempts to forge closer economic relations between ourselves, we must ensure that our cooperation benefits not merely the more developed States alone, but each State individually. Only in this fashion would our venture in cooperation fulfil the expectations of the peoples of our region and narrow, rather than widen, the inequalities in the levels of development in our respective countries.

The success of any cooperative undertaking depends, in the final analysis, on the contribution which each participant makes to the common venture. Each of our South Asian states has distinctive achievements and talents to enrich our cooperative endeavour. By sharing knowledge and exchanging experience, we can assist each other in a meaningful way. We would therefore be well advised, at least in the initial stages, to utilize facilities and to expand upon them in the course of time with resources that may be generated within the region, instead of contemplating ambitious projects which our countries can ill afford.

The third meeting of the Foreign Secertaries of the South Asian Region will review the progress achieved so far, examine the recommendations of the Working Groups and consider the Reports of the new Study Groups established at Kathmandu. It will also have the opportunity of charting a course for the future. This would be an especially challenging task as steps to initiate and formally launch regional cooperation in agreed fields would require serious deliberation. Your meeting has been entrusted with the responsibility of determining how best to maintain the momentum towards the attainment of our agreed goals.

I am confident that at the third meeting the Foreign Secretaries will build upon the commendable progress achieved at the first two meetings at Colombo and Kathmandu. The

spirit of mutual understanding and accommodation that characterised earlier deliberations encourages the hope that the Islamabad meeting would produce equally creditable gains towards the furtherance of cooperation between our countries.

The success of the Third Meeting of Foreign Secretaries will be a source of genuine satisfaction to the Government and people of Pakistan not only because we are hosts to this meeting but, more importantly, because we regard regional cooperation as an important vehicle for the establishment of mutual confidence and promotion of good-neighbourly relations in the region, an objective to which President Zia-ul-Haq remains deeply committed.

The peoples of our region aspire to greater economic gains and rapid social progress. We all have an equal stake in the preservation of peace and security in South Asia. At a time when crises and conflicts ravage areas in our immediate neighbourhood, it is imperative that we join hands in promoting confidence and cooperation amongst ourselves. We would thus not only further the economic and social well being of our peoples but in safeguarding thereby the stability of our own region, make a signal contribution to the preservation of international peace and security.

The task that has been entrusted to the Foreign Secretaries of the South Asian countries is indeed challenging. I am, however, sanguine that in the fulfilment of their heavy responsibilities they would be inspired by the sure knowledge of the far-reaching impact which their deliberations would have for the welfare of their respective countries. I pray to Almighty Allah that the ensuing discussions of this meeting may yield positive results and be blessed with the success which your endeavours will surely merit.

With these words, I have great pleasure in inaugurating the Third Meeting of the Foreign Secretaries of the South Asian region.

ADDRESS OF A.R. SHAMS-UD DOHA, FOREIGN MINISTER OF THE PEOPLE'S REPUBLIC OF BANGLADESH, DHAKA, MARCH 28, 1983.

Bismillahir Rahmanir Rahim

Mr Chairman, Excellencies
Distinguished Delegates
Honoured Guests,

On behalf of the Government of Bangladesh and on my own behalf I extend our warmest welcome to the distinguished leaders and members of all the delegations to the Fourth Meeting of Foreign Secretaries of the South Asian Region at Dhaka. We consider it an honour and privilege to host this important meeting.

2. We are particularly pleased because you not only represent countries with whom we have deep and abiding ties of friendship, but also because we stand united in a common commitment and a common cause, of immeasurable significance to the nearly one billion inhabitants of our countries. We are committed to improve the quality of lives of our people, which remains for all of us, the most fundamental of imperatives. That cause, is to usher in lasting peace in our region.

3. In reviewing the progress leading up to this Meeting, I cannot but be impressed by the conviction and commitment to the concept of South Asian regional cooperation that is so demonstrably manifest in your efforts. When we consider the impediments and constraints that have had to be overcome, it is remarkable indeed, that we stand where we are today, just two years since this exercise was formally initiated in Colombo.

4. The idea of regional cooperation in South Asia is not a new concept. It has long been an ideal. But there have been differing perceptions as to its scope, magnitude and feasibility. Some have visualized modes of integration ranging all the way from Common Markets through Customs Unions to Free-trade Areas and more simple devices including joint ventures, commodity agreements or even currency linkages. Others have gone beyond the exclusively economic plane, justifying the need for exploring political, security, social and cultural aspects as well. Still others, have disparagingly pointed to the signal vacuum

existing in our sub-region in contrast to cooperative endeavours initiated with varying degrees of success, in virtually all other regions of the world. The fact remains, that no two regions have comparative incentives or circumstances and the field of regional cooperation is one that is rife with complexities, a multiplicity of patterns and varied strategies.

5. In its historical perspective, the obstacles towards regional cooperation in South Asia have been formidable. Most of our countries emerged into independence only after the Second World War. Many are still grappling in the transition, with the shape and order of their political and economic priorities and institutions. Colonial legacies, by way of undemarcated boundaries, displaced ethnic and religious minorities and overall assymetry in power structures and stages of economic development, have contributed towards aggravating tension and conflict among various states of the region. They have left their toll in deep-rooted psychological attitudes and inhibitions.

6. On the external plane, all our countries have been assailed by global challenges that have undermined our ability to pursue the course of stability and development. The welfare of our peoples today stand imperilled by the impact of adverse international economic forces beyond our control. The stability of our region has been eroded by the induction of external pressures. This has constituted both a constraint and an impetus to cooperate regionally.

7. Countervailing these negative forces, are positive elements emphasizing the commonalities that bind us together. These are rooted in our geography, shared history, traditions and above all our intrinsic humanity. No less important, have been the cultural cross-currents and socio-economic interactions which for centuries have shaped our views and values and accentuated our common affinities. They constitute a vast reservoir of mutually identifiable interests. The move towards regional cooperation is, therefore, the only logical response to the common problems we face, as developing and Non-aligned countries, to the continuing pressure of rising expectations among our peoples and our own cognisance of our vital interdependence.

8. It is in the backdrop of this broad ferment of ideas, hopes and aspirations and the practical realities of the situation

that, some three years ago, we initiated the current endeavour for regional cooperation in South Asia. In taking stock of the progress made, certain outstanding elements need to be highlighted:

First : Notwithstanding disparities and differences in perception, a larger common interest seems to have dictated the move for regional cohesion. The overriding objective was to ameliorate the welfare of our peoples in an environment of peace and harmony. A cardinal means to this end, was to eschew past inhibitions and prejudices and strengthen our common resolve to create a climate of trust and goodwill. In essence, the option to cooperate regionally was as much an exercise in the practical economic plane as it was an effort towards confidence building.

Second: What distinguished the current endeavour from the past was the thrust to anchor regional cooperation on a firm institutional base. The nature and structure of this operational framework was left open to evolve according to felt needs.

Third : Despite susceptibility and vulnerability of all our countries to external pressures the impetus for regional cooperation came from within the region not without. It was not an imposition but a choice for association voluntarily arrived at.

Fourth : From the very inception the countries of the region established certain ground rules which became the basic parameters for a process based essentially on pragmatism and evolution. Prime amongst them was the determination that they would move together or not at all.

Fifth : It followed that bilateral and contentious issues were to be excluded from the deliberations in a conscious effort to pursue cooperation that was truly regional in character. It was impressed that regional cooperation was not intended or expected to be a substitute for bilateral and multilateral cooperation but should complement both.

Sixth: A crucial motivating factor was that regional cooperation was to be based on, and in turn, contribute to mutual trust, understanding and sympathetic appreciation of the national aspirations of the countries of the region. The attempt was to create an order based on the principles of co-existence and mutual benefit. It underscored the need for taking into specific cognisance assymetries among countries of the region and for equitable sharing of expected economic benefits of all

member states irrespective of their stage of development.

Seventh: A key issue was the assigning of priorities in determining the scope and pace in which regional cooperation could manifest itself both quantitatively and qualitatively. There was implicit understanding that regional cooperation was an evolutionary process in which any movement forward was to be at a deliberate and measured pace so as to enable the consolidation of the gains of each stage before proceeding to the next. At the same time there was recognition that it was a flexible process which would permit elaboration of cooperative arrangements in as many areas as were mutually agreed upon.

9. These were the critical understandings that governed the evolution of South Asian regional cooperation through three meetings of the Foreign Secretaries at Colombo, Kathmandu and Islamabad—meetings that constitute historic milestones in the search for cohesion.

10. At Colombo, in April 1981, the Foreign Secretaries were to underscore the fundamental rationale of getting together and to record the historic significance and importance of their first meeting as "a manifestation of the will of the seven countries to cooperate regionally." They reaffirmed the objective of the early realisation of SARC while asserting that such cooperation was desirable, necessary and beneficial. At the time, five areas of cooperation were identified and Study Groups set up under defined terms of reference to explore the feasibility of cooperation. The possibility of cooperation in other areas was not precluded and a Committee of the Whole was established to explore potentialities.

11. Some seven months later, at Kathmandu (November, 1981), the Secretaries were to affirm the positive outcome of the feasibility reports entrusted to the Study Groups and to upgrade their status into Working Groups charged with the task of drawing up a Comprehensive Programme of Action for Cooperation in both the immediate and long-term phase. This was a pragmatic reflection of their desire to come to grips with the real content of regional cooperation and move forward from the theoretical plane to the stage of actual implementation. It was an added measure of satisfaction that three new areas for cooperation were identified and Study Groups

established to process cooperative possibilities.

12. At Islamabad in August 1982, the Foreign Secretaries reached yet another plateau in their deliberations, marking a progressive movement from the *conceptual* through the *feasibility* phase to the stage of *consolidation*. They were to acknowledge that the process of regional cooperation had acquired an irreversible momentum.

While they reiterated the agreement of their governments on "the importance and imperative necessity" of holding a Ministerial level meeting and even recommended to their Foreign Ministers to convene a meeting at their level between May and September 1983, pragmatism dictated the necessity of further in-depth preparations to make that political level meeting meaningful. A Committee of the Whole was established to prepare an Integrated Programme of Action on the basis of the reports of the new eight Working Groups. These were, in turn, remandated to meet with a view to facilitating the task of the new Committee. Particular emphasis was to be paid to concretising modalities and mechanisms for implementing, coordinating and monitoring the Programme of Action and for a more precise estimation of financial implications and arrangements. The report of the Committee is now before you.

13. This meeting of Foreign Secretaries at Dhaka constitutes the fourth critical stage of the preparatory build-up ; the phase of *implementation*. You are charged with deciding the modalities for launching South Asian regional cooperation and for recommending a precise timing, venue and agenda for the political level meeting that can institute this process. There can be no doubt that the eyes of the world and our own peoples are focussed on your endeavours and the outcome of this meeting. I am fully confident, that given your dedication, wisdom and experience, your efforts will fully justify the confidence reposed in you.

14. In the final analysis, we all recognise that a meeting at the political level is not an end in itself. Regional Cooperation is essentially a continuum, not measured in terms of months or years or even decades, but a dynamic process building and reinforcing itself through concentric accretion. At the core of the matter is the direct involvement and understanding of our peoples themselves. There is a realisation today, that there is

no looking back. The process is irreversible. In the face of global challenges that assail us we can only look ahead and through our dedication and determination forge regional cohesion through our own supportive strength and self-reliance.

Thank you.

3

Statements Made by the Foreign Secretaries of India and Pakistan at Some of the Meetings of the Foreign Secretaries (Official Texts)

STATEMENT BY SHRI R. D. SATHE, FOREIGN SECRETARY OF INDIA, AT THE FIRST MEETING, COLOMBO, 21-23 APRIL, 1981

Mr Chairman, distinguished colleagues,
Excellencies and fellow delegates,

Please permit me to join the preceding speakers in extending to you my congratulations on your unanimous election as the Chairman of this first meeting of seven Foreign Secretaries of the South Asian region. Mr Chairman, we are grateful for the deep interest you and the Government of Sri Lanka has taken for arranging this conference. I have no doubt that under your wise chairmanship we shall be able to have meaningful discussion which will help to attain our common objectives. Mr Chairman, permit me to also express to you on my own behalf as well as on behalf of my delegation our warm thanks and appreciation for the excellent arrangements for our stay here and the hospitality extended to us.

Our meeting is a very important landmark and a momentous occasion. It is a landmark for the reason that it is the first time that an effort is being made at an official level to study, in the words of the paper circulated by the Bangladesh Government, "the feasibility of regional cooperation and policy rocommendations on the general approach to such cooperation and the

possible areas of cooperation." It is also a momentous occasion because it is the first time that the Foreign Secretaries of the region are getting together. Thus our meeting is a testimony to our political will and determination to use the instrument of regional cooperation for advancing our individual and collective development. My country is particularly happy to be participating in this meeting.

We have had considerable and long experience of cooperating with individual countries of our region on a bilateral and mutually advantageous basis. With some of the countries represented here, we have special relationships based on shared history, tradition and interest and formalised by Treaties and Agreements; with others we have developed mutually beneficial cooperation through arrangements such as joint commission. This cooperation encompasses practically all fields of endeavour which now form the Agenda for economic and technical cooperation among developing countries. We have also participated in regional programmes of cooperation undertaken in the framework of ESCAP and Colombo Plan. We do not view the proposal now under consideration as detracting in any way from the significance of existing bilateral and multilateral cooperation arrangements. Indeed, we see it as filling a void in the existing pattern of cooperation.

We have studied the paper on the subject of regional cooperation in South Asia which had been circulated some months ago by the Government of Bangladesh. I would like to congratulate the authors of that paper for the lucid manner in which the problems have been set out. As has been correctly pointed out in the paper, unlike other regions, Regional Cooperation in South Asia has not yet taken roots. The Bangladesh paper has articulated the possibilities and advantages in this regard. We fully subscribe to the view expressed therein that in the foreseeable future, regional cooperation in South Asia has to be confined to economic, technical, scientific, social and cultural fields. It is inevitable that there will be some differences of emphasis if not perception in regard to a preliminary document on this nature. We feel that till detailed examination has taken place it would be premature to consider the institutionalisation of Regional Cooperation through the establishment of a Secretariat, etc. It is our hope that our

present meeting will identify positive factors which would be conducive to promotion of regional cooperation. Such cooperation, I must emphasise, must not be a sum total of existing bilateral arrangements. What would be necessary is to carefully identify areas where it is only through collective action of all of us that we are able to remove the handicaps and disadvantages which otherwise we would be facing in these areas.

At this stage it would also be useful to stress that we reach unequivocal agreement on what I would call the "ground rules" which should govern regional cooperation exercise and which in fact appear in the Bangladesh paper itself. Here I would submit that the principle of avoiding discussions in regional framework of all bilateral and contentious issues and of unanimity as the principle on the basis of which decisions in regard to regional cooperation are taken should be followed scrupulously.

Naturally, all of us would find the present exercise useful only if it is in the nature of a positive sum game. The ideal is, however, difficult to attain. There are certain obvious areas of cooperation where benefits will accrue to all of us; in still others benefits may not be immediately preceptible but will become evident as time goes on. Finally, there are also those areas, where one can see that a common stand through harmonisation and concentration of our policies would benefit us all.

I will spell these out in some detail. The first category can be identified as the cultural field. In this field cooperation can be envisaged in sport, education, films, theatre, production of textbooks, organisation of seminars, exhibitions, etc. The list can be quite a long one. The second group is what could be considered as infrastructural group. Here, the Bangladesh paper has already identified quite a number of areas in that group. To recapitulate these are telecommunications, meteorology, transport, shipping, agriculture and tourism. One could add development of appropriate technologies and alternative sources of energy. There is the third area for cooperation among our countries which relates to negotiations with developed countries and other developing countries in the various international forums. This is particularly true in respect of developmental aid —its quantum and terms, problems of brain drain encountered by most of us; changes in the international monetary system,

etc. It should also be possible for us to have a useful exchange of view as to how best we can cooperate with the neighbouring regions. We can also work out cooperation measures in regard to stabilisation of prices of commodities of common interest, for their joint marketing, and measures for facing competition against these from synthetics and other substitutes. There is yet another fourth area where one can envisage cooperation on a regional basis. This is in the field of science and technology and its practical application in joint ventures, exchange of information and data, joint R & D etc. The broader ramifications of programmes in the above-mentioned fields need be discussed and spelt out in considerable detail at technical and expert levels.

I should now turn to some of the measures that need to be taken individually and collectively for facilitating the development of regional cooperation. First and foremost it is important for us to remember that our present exercise has to relate to functional cooperation in areas which are most relevant for the socio-economic development of our peoples. It is basically therefore the involvement of our peoples in this exercise which is of cardinal importance. We have to prepare the public opinion in our respective countries. Our intelligentsia and academic community should help in this task. The second important step, in my view, is for the economic planners of countries of the region to meet at regular intervals to discuss and exchange our experiences in the field of planning as also to consider long-term planning perspectives. This, in my view, would facilitate a better understanding in all our countries of each other's problems and requirements.

I have attempted to sketch these few thoughts on regional cooperation. The subject will need much more intensive discussion at technical level in the course of which one may expect a number of fields, to be explored in depth. As a result of this some ideas may have to be rejected, some others to be developed further and some implemented as soon as possible. Clearly in the kind of meeting which we are having today and tomorrow such in-depth discussions would not be possible. It is for this reason, that I would suggest the following methodology.

I suggest that we agree to appoint four technical groups to look into the four broad areas in which regional cooperation

is possible and which I have referred to earlier. It would be advisable to lay down some broad guidelines regarding the terms of reference for the meetings of the technical experts though these may have to be adapted and adopted, mutatis mutandis by the groups themselves when they meet. The conveners for each group could be decided upon at this meeting and thereafter meetings at technical level can be organised by the conveners to examine the area in which regional cooperation can be envisaged. The work of these groups need to be time-bound but it should be the endeavour of all concerned to complete that task as soon as possible. The reports of these groups will be submitted for examination by the next meeting of the Foreign Secretaries of the region. That meeting should also consider the inter-sectoral aspects of cooperation, the levels of implementation and other follow-up measures. The task of coordinating the work of the four groups and the decision as to when the next meeting at the Foreign Secretaries should be convened can be left to that country which will host the next meeting of the Foreign Secretaries. It is only when adequate progress in all these fields has taken place that it would be useful and necessary for us to frame recommendations for consideration by our Ministers. The methodology suggested by me may delay the meeting of the Foreign Ministers but it is my submission that it would be necessary to make thorough preparations for the meeting of Foreign Ministers. I believe that the second meeting of the Foreign Secretaries would precisely serve this purpose.

Mr Chairman and colleagues, at the very outset I referred to the importance of this meeting. I need hardly underline the fact that millions of our people will be following very carefully, the manner in which we move towards establishing regional cooperation. We have an obligation to lay a solid and secure foundation on which regional cooperation can be built. It there are delays one should not become pessimistic. Rome was not built in a day. Neither were other regional groupings established without several meetings and thorough discussions. In fact, I would submit that while we should no doubt profit from the experience of other regions in the world, we should not replicate or copy those patterns. A pattern of regional cooperation in South Asia should evolve itself. We do not have to jump steps

ahead and create an organisational superstructure without first agreeing upon arrangments, modalities and programmes of regional cooperation. I submit that by participating in this meeting we have embarked upon a thrilling journey. We do not know what type of obstacles we shall run into. But the prospect of running into obstacles need not daunt us. So long as our goal is kept clearly in view it should not be difficult to reach it.

STATEMENT BY SHRI R.D. SATHE, FOREIGN SECRETARY OF INDIA, AT THE SECOND MEETING, KATHMANDU, NOVEMBER 2, 1981

Mr Chairman, distinguished colleagues,
Excellencies and fellow delegates,

First of all, I would like to extend to you, Mr Chairman, our congratulations on your unanimous election as Chairman of the Second Meeting of Foreign Secretaries devoted to the subject of Regional Cooperation in South Asia. I would also like to take this opportunity of expressing to you and through you to the Government and people of Nepal our sincere thanks and appreciation for the excellent arrangements made for our stay here and for the generous hospitality that has been extended to our delegation. India and Nepal are bound by strong cultural, economic, historical and geographical ties. We are, therefore, all the more happy that the second meeting on regional cooperation is taking place in Kathmandu.

Since we last met in Colombo in April this year, the quest for regional cooperation has yielded some results. In fact, in the five specific areas which were identified for cooperation, we have now before us the parameters of a possible programme of action. The Committee of the Whole which we had set up at Colombo had also met as envisaged and its report on other areas of possible cooperation is also before us for consideration.

We have examined the reports of the five Study Groups on agriculture, rural development, telecommunication, meteorology, health and population activities. We find that the experts

have done some good work and have come out with concrete recommendations. It is now upto us to identify at this meeting specific projects or schemes of cooperation in each of these fields where action can be initiated.

While doing so, we would keep in mind the terms of reference which we have agreed to in Colombo, particularly those relating to arrangements for implementing and monitoring the work programme and the overall benefits of cost of such cooperation to the countries of the region. It may not be possible for us to take any definite decisions on these matters now. But we can, and indeed we should, have an exchange of views which would enable identification of various options that are available to us and the approaches to solutions to the questions of cost sharing and implementing modalities. We can then reflect over these matters in your respective capitals.

In due course, the Study Groups can meet again either by themselves or under the umbrella of the Committee of the Whole with a view to working out concrete recommendations regarding specific projects and programmes in each of the identified areas and suggesting arrangements for implementing and monitoring the comprehensive programme of cooperation.

As regard the identification of additional areas in which regional cooperation could be considered, the Committee of the Whole has identified 13 specific fields though a view was expressed that progress in the five fields already identified should first be assessed before taking up the question of additional areas. While we are in favour of a step-by-step approach, we strongly believe that we should endeavour to make further progress and should not allow our cooperation to be stagnant at any level. My delegation believes that there would be no harm in commissioning detailed studies at expert group level in regard to the areas identified in the report of the Committee of the Whole. I submit that if these suggestions are found acceptable, it may be possible for us to have agreement on a substantial programme of cooperation by the time we meet again.

An important task for us here is to examine whether the stage has been reached to recommend to our Foreign Ministers to convene a meeting at their level. While taking note of what our distinguished colleague from Bangladesh has said, I would

say that this question is, in our view, intimately linked to the progress of work which I have outlined above as well as on the decision we will take on the report of the Committee of the Whole on identification of new areas of cooperation. I am sure that we are all agreed that in due course, when we have worked out a substantial programme of cooperation, we should move in the direction of recommending to our Foreign Ministers to convene a meeting at their level in order to launch such a programme and to provide guidance for further progress.

Mr Chairman, the international community has evaluated in a positive manner the beginnings that we have made in regard to regional cooperation in South Asia. Our countries are among the worst victims of the persistent neglect in the tackling of the world economic crisis. While special measures of cooperation on the part of the developed and some resource-rich developing countries are being considered in favour of oil importing countries in other developing regions, our region, which is the worst-affected has not received any such attention. There is a lot for us to gain both by cooperating among ourselves as also by our joint approaches and harmonisation of policies in relation to developed countries and other regions.

Mr Chairman, all of us are already committed to mobilize in the fullest possible measure our own resources for implementing our respective development strategies. But our problems are enormous. While, as our Prime Minister observed at the recent Cancan Summit that development cannot be imported, regional cooperation can and indeed should contribute to the progressive attainment of greater national and collective self-reliance in the region through the pooling of our resources and judicious exploitation of the complimentarities that exists in the region. It is in this spirit that we have to look at our future work. We should facilitate short-term action that would produce beneficial results for all of us. At the same time, we should assiduously work for longer-term development goals and processes of change.

In fact, we had agreed in April in Colombo that our cooperation should be based on, and in turn contribute to, mutual trust, understanding and sympathetic appreciation of the national aspirations of the countries which we represent.

It is the responsibility of all of us to ensure that no forces are permitted to create factors for disharmony that may result in frustrating our nascent cooperation.

Finally, let me conclude by assuring you Mr Chairman and all other colleagues around this table of the fullest support of my delegation for success of our meeting. I have no doubt that our meeting will enable us to acquire still better perception of the importance, relevance and implications of regional cooperation in South Asia. This, in turn, will help in the strengthening of the political will which alone can impart the necessary impetus for advancing consensus and progress on Regional Cooperation in South Asia.

Thank you, Mr Chairman

STATEMENT BY SHRI M. RASGOTRA, FOREIGN SECRETARY OF INDIA AT THE THIRD MEETING, ISLAMABAD, AUGUST 7-9, 1982

Mr Chairman,

I would like to extend to you, Mr Chairman, our warm congratulations on your unanimous election as the Chairman of this Meeting. You have a long and distinguished record of dealing with development related issues and your contribution to the formulation of the international development strategy for the Third Development Decade is well-known. We are fortunate in having you with us here to guide our deliberations. I am sure this meeting of Foreign Secretaries of the region will benefit greatly from your wisdom and your wide experience. I am confident that this meeting will mark yet another step forward in giving substance and meaning to South Asian Regional Cooperation.

2. I should like to take this opportunity to convey our thanks and appreciation to the Government of Pakistan for the cordial welcome and generous hospitality extended to my Delegation and the excellent arrangements made for this meeting. This is the first occasion for me to meet my distinguished colleagues from our Region and that adds to its importance for me personally.

3. The need for cooperation among our countries is self evident. We in India feel deeply committed to promoting and strengthening this cooperation. The prevailing difficult economic situation in the world makes such cooperation all the more essential. Our deliberations so far have amply demonstrated our determination to achieve the goal.

4. The task before us is to identify promising and practical areas of regional cooperation and to find ways and means of incorporating a regional dimension into the ongoing developmental processes within our countries. Regional cooperation is not—indeed it cannot be—a substitute for bilateral cooperation between our countries. We view regional cooperation as an important and necessary additional instrument for the achievement of collective self-reliance.

5. The Working Groups set up by us have drawn up outline programmes of action both for the short-term and the long term. They have also made suggestions regarding the modalities of implementation and recommended possible ways of financing various schemes and programmes. We are in general agreement with these recommendations. However, the proposed programmes, modalities and financing arrangements call for further careful study and examination. In addition decisions will need to be taken on a number of other important issues; for example, mechanisms for implementation, coordination and monitoring and the principle of equitable sharing of costs and benefits. Obviously, we cannot go into all the varied details of all these points at this meeting and it would be necessary for our experts in these fields to prepare draft recommendations and guidelines for consideration at our next meeting. I look forward to a comprehensive exchange of views with my colleagues here on these aspects.

6. While these large issues are under examination, at the operational level, we could initiate preliminary action in some areas where appropriate modalities and facilities are already available and which were agreed upon in our last meeting i.e. (a) exchange of data and information, (b) exchange of experts, training facilities, scholarships, and (c) organisation of seminars, workshops on a regional basis. It occurs to me that we could also take recourse to modalities such (i) meetings of heads of national agencies concerned with the 8 areas already

identified and (ii) lateral talks between the professional associations existing in the identified fields of cooperation.

7. We believe that there are several additional possibilities worth exploring side by side as we establish and strengthen our cooperation in identified fields. We feel that cooperation among ourselves in regard to negotiations on international economic matters is important. Our countries need international economic support and exchange of views among ourselves on this subject would benefit all of us.

8. It seems to us that the field of sports and games should be included in regional cooperation programmes. We had discussed in the past possibilities of cooperation in the fields of tourism and culture. It should be possible to develop at least some cooperative activities in these areas. For instance, we can discuss how best we can jointly promote tourism from outside into our region. Similarly much could be gained by way of preservation and conservation of the cultural heritage of South Asian countries through regional cooperation.

9. The field of trade is of great importance. In fact, in many other regions of the world, cooperation in trade was established at a relatively early stage starting with certain specific sectors. As developing countries, we all have understandable difficulties in liberalising trade flows which might necessitate drastic changes in our trade regimes. But it should be possible to consider limited cooperation based on a regional system of trade preferences, cooperation among State trading agencies and trade related institutions, and cooperation in the marketing and processing of commodities of interest to countries of the region. If my colleagues here agree, we could set up Study Groups to look into these questions and report to us at our next meeting.

10. A future area of cooperation is coming in view and I should like to say a few words about it. Countries of the South Asian Region use the waters of the Arabian Sea, the Bay of Bengal and the Indian Ocean, both within and beyond the limits of their national jurisdiction. India has been conducting oceanic surveys for the past few years with the intention of utilising living and non-living marine resources. It has also succeeded in lifting polymetallic nodules from the deep seabed of the Indian Ocean and organised a research expedi-

tion to Antarctica. In the process some expertise in various fields of ocean sciences has been built up. We would be happy to share our experience concerning the uses of the sea within the limits of our national jurisdiction with other countries of the region on a basis of reciprocity. As and when we have acquired sufficient experience and maturity about the oceanic surveys beyond the limits of national jurisdiction, we would also be happy to share our experience with other countries of the region.

11. Public interest in our countries in regard to our work is of the utmost importance. I recall the enormous public relations efforts that were undertaken by regional groupings elsewhere to inform and educate public opinion about the necessity and benefits of regional cooperation. One way of this in our region would be promoting for national media of each country to undertake a campaign to disseminate information about our objectives and efforts. It also appears to us that a book or brochure on the subject would prove useful.

12. No further time should be lost in going ahead with the idea formulated at our meeting in Kathmandu about establishing contacts among the representatives of our national planning agencies.

13. We had detailed exchange of views in our last two meetings in regard to the desirability of conveying a meeting at the level of Foreign Ministers. We are all agreed on its importance and necessity. At our level we have made some important progress. A lot more remains to be done; we have yet to complete our task of presenting to the Ministers a concrete and comprehensive action-oriented programme including specific measures for its coordination and implementation. For this purpose, a few more meetings at our level would seem necessary, though this need not mean an unduly extended time-frame for the meeting at the level of Foreign Ministers. We could meet at shorter intervals. This would help enrich the content of the programme and enable us to complete the basic work necessary to pave the way for a successful ministerial level meeting. We listened with respect and keen attention to the inaugural address by H.E. Sahibzada Yaqub Khan earlier today. I think we would do well to heed his counsel to proceed step by step, to consolidate the gains of one stage before

going to the next. We share this approach. My delegation deeply appreciates that His Excellency the Foreign Minister of Pakistan was able to find time from his busy schedule to give us the benefit of his views.

Thank you, Mr Chairman.

STATEMENT BY SHRI M. RASGOTRA, FOREIGN SECRETARY OF INDIA AT THE FOURTH MEETING, DHAKA, MARCH, 28-30, 1983

Mr Chairman,

On behalf of my delegation and myself, I offer you our warm congratulations on your election as the chairman of this meeting. You have been closely associated with the deliberations of the Foreign Secretaries to prepare the framework of the South Asian Regional Cooperation. This meeting, I am sure, will benefit greatly from your experience and your guidance as the chairman.

2. I would also like to extend our most cordial thanks to you, and through you to the Government of Bangladesh, for the warm welcome and generous hospitality extended to my delegation. We deeply appreciate the excellent arrangements made for this meeting. I wish to record my sincere thanks to the thought provoking and encouraging inaugural address given this morning by the distinguished Foreign Minister of Bangladesh. It is particularly gratifying for us to come to Dhaka for the fourth meeting of the Foreign Secretaries of the region. For, it was from this Capital city that the call went out less than three years ago for the establishment of Regional Cooperation among South Asian countries.

3. The Government of India had welcomed and supported that far-sighted initiative. Our countries share a great deal in common: they are all members of the Non-aligned Movement and are also developing countries belonging to the so-called South. Cooperation among us is both necessary and beneficial. History and geography have placed our countries together in an environment characterised by homogeneity, intimacy and interdependence. Cooperation among us is, therefore, also some-

thing quite natural. Since the first meeting of the Foreign Secretaries in Colombo, we have made good progress in forging cooperation and covered a fair amount of ground. This is a source of satisfaction to the Government and Poeple of India, who would be happy to see this cooperation further expanded and strengthened.

4. The present crisis in the world economy carries particularly grave consequences for developing countries, who must act in unison to meet the challenges before them. By intensifying cooperation among themselves they can reduce their dependence and accelerate their development. Regional cooperation among developing countries would also help establish a fairer, more equitable and enduring basis for cooperation between the North and the South. And it will no doubt contribute to the bringing about of the New International Economic Order which we all want.

5. During the historic week of the Non-aligned Summit in Delhi our countries had worked together to give meaning and content to the Summit's deliberations, especially on economic matters. We in India deeply appreciate this and look forward to continued cooperation with our neighbours in the implementation of the Summit's decisions in the same spirit of constructive pragmatism. With its area, population and economic potential, our region can make a signal contribution in the fulfilment of the Summit's objective of making a reality of South-South cooperation and the New International Economic Order.

6. Mr Chairman, we have before us the Report of the Committee of the Whole which met in Colombo in January this year. This Committee comprising senior officials of all the countries of the region has done commendable work and prepared for us an agreed and highly constructive Report. We have now to consider and decide at what stage the programme of South Asian Regional Cooperation is to be formally launched.

7. It would be recalled that at the Islamabad meeting, we authorised the initiation of the implementation of the recommendations of the Working Groups where expenditure for the programmes could be met from available financial resources. It appears, however, that not much has happened since then, and

implementation has not proceeded beyond exchanges of information and data in certain areas. Nevertheless, we could, perhaps, agree that existing Working Groups should be converted into technical committees with responsibility for the actual implementation of the programme of cooperation in their respective sectors as recommended by the Committee of the Whole. These technical committees should straightaway initiate those programmes for which voluntary funding is available or for which external resources could be mobilised on the basis of joint requests. Because of the close linkages that exist between different areas, which we have so far identified as appropriate for regional cooperation, the Committee of the Whole has suggested the setting up of a Standing Committee for the overall coordination and decision-making, with a provision for referral as and when necessary, to a ministerial level for decision on policy guidelines. We can go along generally with this recommendation of the Committee of the Whole. However, it would be for our Ministers themselves to decide as to what role they would assign to themselves in regard to policy issues or operational matters that would facilitate and strengthen regional cooperation.

8. The Standing Committee could be, as proposed, and Committee of Foreign Secretaries. It should meet as often as necessary and at least once a year. It could attend to the task, among others, of identifying new areas of cooperation. In this respect our work is far from complete and my delegation would strongly recommend that studies should be commissioned straightaway in two important areas, namely tourism in its various aspects and cooperation in trade and industry.

9. The Committee of the Whole has offered some pragmatic suggestions in regard to arrangement for financing of the programme. We note, in particular, the Committee's opinion that the fundamental premise of financing arrangements should be the unfettered discretion of the member Governments to determine the level and manner of their financial allocations for regional activity. But it would be necessary to have an overall view of the financial and other resources which our respective countries would be willing to commit to this programme.

10. We are in agreement with the illustrative fiscal procedures which the Committee has suggested for consideration of

the Governments. We also agree with the Committee's view that the technical committees should make their own recommendations in regard to the apportionment of the costs of implementing each and every type of activity proposed by them. We are generally in agreement also with the guidelines recommended for the technical committees.

11. Exchange of infomation would appear necessary regarding the regular financial allocations for regional cooperation to be made by the concerned ministries as well as the ad-hoc allocations and assistance to be provided in the form of scholarships, concessional air fares and accommodation. Parhaps, this exchange could take place through the diplomatic channels with you, Mr Chairman, acting as the central point.

12. It has already been accepted that where sufficient financial recources cannot be mobilised within the region, recourse could be taken to external assistance from appropriate sources. I would like to emphasise in this connection that offers from external sources should be handled on the basis of joint request by the countries of the region. Moreover, we should guard against the possibility of such offers resulting in the diversion of bilateral allocations for the countries of the region.

13. Mr Chairman, as decided at the Islamabad meeting, the Representatives of National Planning Organisations of the seven countries met in New Delhi under the chairmanship of India. The deliberations at the meeting were devoted to three main themes, namely :

(a) national planning models and extension of planning techniques to social accounting matrix;

(b) organisation and implementation of social and anti-poverty programmes; and

(c) impact of world economic situation and outlook on national development performance and prospects.

The Group has selected themes for subsequent discussions and decided to meet once a year, the venue being rotated among the member countries. A continuing exchange of documentation/information among the representatives of Planning Organisations by circulation through the Chairman of the Group has been envisaged. I trust this meeting would like to take note with appreciation of the Report and endorse the follow-up action that has been proposed.

14. I am glad to inform my colleagues that we intend to convene the first meeting of Study Group on Sports, Arts and Culture in the very near future. Till recently, all our resources, attention and energies were taken up first with the Asian Games and then more recently, with the 7th Non-aligned Summit. We regret very much that the Group on Sports, Arts and Culture could not be convened.

15. Mr Chairman, at our Islamabad meeting, it was agreed that consultations should take place for fixing the dates and venue of the Ministerial meeting. In fact, these consultations have not yet taken place. On our part, we have an open mind and we look forward to an exchange of views on the subject.

16. Substantial progress has been achieved in our efforts at the official level to put together a basis and a framework for South Asian Regional Cooperation. We should now perhaps also give thought to the necessity of establishing linkage between our academic institutions and comparable university bodies. These contacts and links will, I think, help further foster a regional perspective in our younger generation. Eventually we could even think in terms of setting up Institutes of South Asian Studies at selected places in the region.

17. A good deal of bilateral cooperation has existed in our region and has proved mutually beneficial to the concerned countries. This cooperation has not in any sense excluded or been at the expense of cooperation with other countries or regions. There is room for consolidation and expansion of both. However, in the context of development, its needs and possiblities, our own experiences in the region are more relevant to our situations than the experiences of other countries located elsewhere. The type of regional cooperation we have in mind is neither inward looking nor exclusive. In fact, cooperation within our region on the one hand, and cooperation with other countries and regions on the other could proceed in a manner which would reinforce, rather than obstruct or inhibit, each other. It is our conviction that for the rapid progress and prosperity of each one of the countries in this region, regional cooperation is vitally necessary, that its scope and potential are far vaster than what is encompassed in our deliberations thus far. And finally, only the full mobilisation of the potential of South Asian Regional Cooperation will enable us to reap the maximum

benefits of cooperation in trade, economic and industrial exchanges with other regions.

STATEMENT BY MR RIAZ PIRACHA, FOREIGN SECRETARY OF PAKISTAN AT THE FIRST MEETING, COLOMBO, APRIL 21, 1981

Mr Chairman,

Allow me first of all to extend to you warm felicitations on behalf of the Pakistan Delegation on your election as Chairman of our meeting. Given your long and varied experience in international diplomacy and your acute perception and knowledge of the problems of South Asian countries, we are confident that you would provide wide guidance on the very important issues to which the Conference will address itself.

2. It is a matter of great satisfaction for me personally and for members of my Delegation to come to Sri Lanka. We are indeed very grateful for the warm welcome we have received here and for the generous hospitality being extended to us. I take this occasion to pay tribute also to the distinguished Foreign Minister of Sri Lanka, H.E. Mr A.C.S. Hameed, who, in his eloquent inaugural address has set out long-term goals for our region which would constitute a challenge to us for many years to come.

3. Mr Chairman, we have gathered here today to consider matters of great importance. Our thanks are due to Bangladesh for the efforts they have made for the cause of regional cooperation. It is as a result of the sustained hard work of our distinguished colleague, the Foreign Secretary of Bangladesh, that we find ourselves in this beautiful city of Colombo today. We are grateful to our Bangladesh colleagues for the paper they circulated in November last year which will form the basis of our discussions at this meeting.

4. Although South Asian States are already engaged in mutual cooperation in a variety of fields bilaterally as well as within the framework of regional arrangements established by international organisations such as ESCAP, FAO, WHO,

WMO, etc., the Bangladesh proposal offers us a new approach in the sense that it envisages cooperation in an exclusively South Asian setting. We have given the matter our closest consideration, and our position, as reflected in our President's reply to the letter addressed to him on the subject by His Excellency Mr Zia-ur-Rahman, President of Bangladesh, is as follows :

(i) We believe that regional cooperation should be promoted on the basis of mutual benefit to the extent possible.

(ii) In our assessment the establishment of an institutional framework of cooperation calls for deeper understanding, and a considerable degree of complementarity of economics. These conditions are missing in our region and it should be our endeavour to bring them about.

(iii) High level meetings generate high hopes and if the outcome falls short of expectations, there is inevitably disappointment. A gradual approach is more likely to achieve tangible results.

5. The Working Paper prepared by Bangladesh itself recognizes the need for the preparation, examination and analysis of detailed studies, before agreed recommendations can emerge which could form the basis of concrete programme of cooperation. This essential stage has yet to be covered. The present meeting therefore has of necessity to be of an exploratory nature.

6. Proceeding from the objective realities it is clear that we must move forward within the parameters of those realities set for our cooperation. Regional cooperation has been tested and tried in many parts of the world in the last three decades. In some cases it has failed. In others it has made progress only when conditions became ripe. In the two relatively successful experiments in regionalism, namely the European Economic Community and ASEAN, progress was slow despite a much closer identity of perceptions than presently exists in our own region. In Western Europe although political cohesion and a common strategic approach existed it took many years of hard efforts to bring about economic cooperation. This was done on a step by step basis from the Treaty of Rome to the present times. In the case of ASEAN, it took nine years after its inception to hold the first summit meeting and to set up a Secretariat. I am mentioning these examples to indicate that

even when all other factors are favourable the gestation period of concrete programmes of cooperation is a long one, and there is no short cut to success.

7. In these circumstances, we in Pakistan feel that we should move forward in a measured manner, one step at a time, without forcing the pace of progress. We must first of all identify the areas in which cooperation is feasible and practicable at present and consider the most suitable way in which this cooperation can be furthered. As the field of cooperation expands, we shall be moving to higher ground and a framework will grow naturally out of functional requirements. As practical programmes are drawn up and implemented, the momentum will be created for a suitable apparatus. Until then it would be prudent to resist the temptation to set up an elaborate infrastructure much before the need for it has arisen. At this exploratory stage it would be far too premature to think of an institutional framework similar to that envisaged in the Working Paper i.e. Council of Foreign Ministers, meeting at least once a year, an annual meeting of the Heads of Governments as well as a full-fledged Secretariat. Let this remain a desirable goal by all means but let us also be practical. Summits are not scaled without going through the valleys. If I may switch from the metaphor of the mountains to that of the seas, for our region includes both, we should make sure that there is not too much soil on a very small hull. Let us build the structure of cooperation brick by brick and on solid and secure foundations, for then alone will it endure.

Mr Chairman,

8. The representatives of the countries of South Asia have met for the first time to consider ways and means of cooperation. Let that fact stand by itself. It is a valuable starting point. The lesson to be learnt from the repeated postponement of this meeting is that we should not force the pace but rather direct our energies towards creating the atmosphere of mutual trust and confidence. Thus can we contribute effectively to the beginning of a historical process which will yield results only in proportion to our combined willingness to cooperate.

9. Turning to the working paper presented by Bangladesh

we must acknowledge that it has indicated a wide range of areas in which cooperation might be possible. We should select the least controversial areas and devise a mechanism to initiate technical studies and determine by mutual agreement the nature, extent and modalities of cooperation in these areas. The agreed recommendations of experts would be the basis of mutually acceptable programmes of cooperation.

10. Given the will to cooperate, and given sufficient progress in regional cooperation our governments can determine when the time would be opportune to institutionalize our consultations and the level at which they should take place.

11. I wish to emphasize that my delegation would extend its full cooperation in identifying areas where cooperation among states of South Asia is indeed feasible. The nature of further reaction must however depend on the result of the expert studies on those selected areas.

12. In conclusion, Mr Chairman, I wish to assure my distinguished colleagues assembled here that Pakistan remains committed to a policy of deepening its cooperation and strengthening its friendship with all countries, especially its South Asian neighbours. While the potential for cooperation for mutual benefits is almost limitless, let us together climb towards the heights that we have in mind, weaving our way carefully past the debris of broken dreams and unfulfilled expectations. Our efforts anchored in realism, our ambition tempered by caution, our aspirations balanced by deliberation, let us move hand in hand towards a more peaceful and prosperous, future for all our peoples.

STATEMENT OF MR RIAZ PIRACHA, FOREIGN SECRETARY OF PAKISTAN, AT THE SECOND MEETING, KATHMANDU, NOVEMBER 2, 1981

Mr Chairman,

May I extend to you on behalf of the Pakistan Delegation and on my own behalf our warmest congratulations on your election as Chairman of this Conference. We are sure that with your wide and varied experience and your deep understanding

of the problems facing our region you would be able to guide the deliberations of the meeting to a successful conclusion.

It is special pleasure for me and for my colleagues, once again, to visit your beautiful country. We enjoy with Nepal the friendliest of relations. May I take this opportunity to thank you Mr Chairman and His Majesty's Government of Nepal for the generous hospitality extended to us and for the excellent arrangements made for this conference.

Mr Chairman, we are meeting today in continuation of our last meeting at Colombo, which was the historic first meeting of the Foreign Secretaries of South Asian countries. At Colombo we identified specific areas in which the possibilities of Regional Cooperation could be explored. The most important decision taken at Colombo was the constitution of Study Groups to examine the feasibility, scope and modalities of co-operation in five areas: Telecommunications, Meteorology, Agriculture, Rural Development and Health and Population Activities. The Study Groups have worked hard and their reports are now before us. Our thanks are due to the technical experts of all the seven countries who have participated in this important undertaking.

Mr Chairman,

Pakistan was assigned the role of coordinator for the study on Telecommunication and was privileged to host the meeting of the experts of the regional countries in Islamabad last month. Their report speaks for itself. The establishment of adequate telecommunication links is not only beneficial in itself, it is also a vital pre-requisite for the growth of cooperation in other areas. Yet this important field has not received due attention so far with the result that today it is easier for us to communicate with the countries of Europe and America than amongst ourselves. There are no direct telecommunication links among several countries of our region. Telephone calls between our regional capitals sometimes take longer to mature than journeys by air. Sometimes we have to approach a neighbouring country by going half way round the world.

Pakistan feels that the time has come to establish efficient and reliable telecommunication links among the regional

countries which will not only bring us closer together and facilitate our respective development programmes but would be a signal contribution to the promotion of Regional Cooperation.

The Study Group on Telecommunioation has recommended integrated and accelerated development of existing, and projected, bilateral and multilateral arrangements. It has proposed a regular exchange of technical information for the development of internal telecommunication links. It envisages accelerated exchange of information and expertise for the development of appropriate technology, common training facilities and cooperation in the manufacture of equipment.

Mr Chairmau,

We attach equal importance to cooperation in the other four agreed areas. It is not necessary for me, at this stage, to go into the detailed recommendations made in respect of each of these areas but permit me to make a basic point about the modalities of implementation of agreed recommendations in all these areas. The most practical approach, in our view, would be to constitute standing technical committees comprising representative of all the regional countries in each of these areas, to draw up concrete programmes of cooperation, to arrange their implementation, and to monitor progress on a continuing basis. The chairmanship of these standing committees could be rotated after appropriate intervals so as to give an equal sense of participation and responsibility to all partners. Moreover, the experience gained in cooperation in these areas will help us avoid pitfalls in new ones.

Mr Chairman,

My Government has given the most careful consideration to the proposal which was made in the Committee of the Whole to commission studies in additional areas. Recommendations are before us on five very important areas of cooperation. We should now decide on the manner and extent of implementation of those recommendations so that Regional Cooperation becomes a reality. We should not at this stage extend our

energies over too wide an area. First and foremost our aim should be to concentrate on achieving results in the areas already agreed upon. As the benefits of cooperation become visible additional areas in which technical studies may be commissioned, could be considered so that this becomes an ever-expanding field in our joint endeavours for mutual benefit.

Mr Chairman,

The process of consultations at the Foreign Secretaries' level has proved its efficacy, and we feel that it would be appropriate to continue meetings at this level from time to time to review the progress of Regional Cooperation and to take policy decisions on the future course of action. We do not rule out a regional meeting at the ministerial level in due course when the conditions are ripe—and with adequate preparation—but this is not the stage to recommend such a meeting.

Mr Chairman,

The decisions taken at Colombo earlier this year were reflective of the realities of the regional situation. They took into account the shared desire for regional cooperation as well as the differing viewpoints in regard to its peace and modalities. We must be prepared to proceed with measured steps and appropriate deliberation in the direction which we have now chosen for ourselves.

Mr Chairman,

This morning we were privileged to see the Himalayas in their awesome Majesty and to come face to face with Mount Everest. The thought crossed my mind then that in order to climb it we could learn from the example of others. We could establish our base camp and from thereon climb from one stage to another. We would of course need sure-footed guides who know the way and the pitfalls to be avoided. We would need equipment, including, as we climb higher ground, a supply of oxygen. Above all we would need to strap ourselves to one

another as we negotiate the perilous slopes, because the life of one would depend upon the attachment and loyalty of the others. And then, God willing, Sagarmatha would be ours. But there is also another way. We could fly to Mount Everest and even fly higher than Mount Everest and over it, but we can not land there. I submit, Mr Chairman, that the Mount Everest of our collective dreams will take us to its bossom only if we follow the first path.

STATEMENT BY THE CHAIRMAN MR NIAZ A. NAIK, FOREIGN SECRETARY OF PAKISTAN AT THE THIRD MEETING, ISLAMABAD, AUGUST 7, 1982

Excellencies,
Distinguished delegates,

It gives me great pleasure to extend a warm welcome to the distinguished leaders and members of the delegations of Bangladesh, Bhutan, India, Maldives, Nepal and Sri Lanka. It is my sincere hope that your stay in Islamabad will be pleasant and comfortable. I am conscious that our arrangements may be far from perfect, and I would request you not to hesitate in bringing any problem that you may face to my notice or to the attention of the Conference Secretary, Mr Inamul Haque.

I wish to convey our profound appreciation to His Excellency Mr. Jagdish S.J.B. Rana, the Foreign Secretary of His Majesty's Government of Nepal, for his able and sagacious guidance of the deliberations of the Second Foreign Secretaries Meeting in Kathmandu and for the manner in which he steered the course of the inter-sessional consultations. The Kathmandu meeting was indeed a major step towards the goal of strengthening regional cooperation in South Asia.

May I also pay tribute to all those who have been associated with the laudable objective of promoting regional cooperation in South Asia. The commendable progress made so far towards the attainment of this goal is a reflection of their sincere and untiring efforts. It is a source of satisfaction for us that in short span of two years we have been able to identify

the broad parameters of regional cooperation and concretise programme of action in several important fields. By institutionalising the meetings of Foreign Secretaries, we have manifested our commitment to the task of preparing the ground for the success of the venture on which we have embarked.

The promotion of regional cooperation in South Asia is a befitting response to the challenges faced collectively by our region and individually by our respective countries. The deteriorating world economic situation which has jeopardized the prospects of improving the well-being of the people of developing countries lends added significance to our Meeting. Despite concerted efforts by the developing countries in the international fora, the establishment of an equitable and just New International Economic Order, through a restructuring of the international economic relations continues to alude us because of lack of the necessary political will on the part of the industrialized countries. This has led to a growing realization in the developing countries that it is only through economic cooperation among themselves and collective self-reliance that they can hope to achieve economic emancipation. It is also in this context that we attach great importance to our deliberations. The decisions taken here could make a meaningful contribution towards the enhancement of the economic well-being of our region, inhabited by nearly a fourth of the world's population.

The issues that this meeting is expected to deal with are complex and not amenable to simplistic solutions. Even more taxing for our ingenuity may be the task of deciding on a future course of action. A creative and practical approach will therefore be required of us in addressing the various items before us, and in order to adopt positive and concrete measures for the realization of the objectives of regional cooperation.

The challenges before us should not deter us from striving for our objectives as difficulties are inevitable in the formative stages of such broad based and ambitious ventures. Reconciliation of diverse perceptions and ideas will, by their very nature, entail a free and frank exchange of views. However, I am confident that our traditions of mutual respect and understanding and the spirit of patience and perseverence that has characterised our earlier meetings will also lead to a positive

outcome of this Meeting.

The decisions we take on behalf of our respective governments will give added impetus to the acceleration of the process of economic development in our region. This noble aim will undoubtedly inspire our endeavours to achieve unanimity on specific recommendations and proposals.

As we embark upon the consideration of the agenda before us, I know that your experience, diplomatic skills and wisdom will lead us to decisions which will strengthen the foundations of the edifice of regional cooperation in South Asia.

I thank you.

STATEMENT BY LEADER OF PAKISTAN THIRD MEETING, ISLAMABAD, AUGUST 7-9, 1982

Mr Chairman,

The Foreign Minister of Pakistan and you have already expressed our feelings of satisfaction and pleasure at the opportunity Pakistan has been given to host this third meeting of the Foreign Secretaries of seven South Asian countries. The Pakistan delegation joins in extending a warm and cordial welcome to the distinguished leaders of delegations and all our honoured guests from Bangladesh, Bhutan, India, Maldives, Nepal and Sri Lanka. We also look forward to close cooperation with the other delegations in promoting the success of this meeting which, we hope, will represent another important step in our joint march towards the objective of establishing mutually beneficial cooperation in the South Asian region.

Mr Chairman, the agenda of this meeting has two main aspects, one retrospective and the other prospective. This being the third meeting, we have behind us a record and a history. The earlier meetings took important decisions which we are bound to bear in mind. Some of these require follow-up action at this meeting. Thus we have before us the recommendations and reports of the Working Groups and Study Groups which we have to consider. We cannot over-emphasize the importance of this work as the decisions we take in specific areas will represent

the building blocks of the edifice of cooperation we are all hoping to see rise in the South Asia region.

The second aspect of this meeting's task calls for even greater imagination and lucidity of conception. Relating to the future course of action, we have to take decisions that affect the architecture and design of the edifice of regional cooperation.

The Pakistan delegation has, Mr Chairman, studied the reports and recommendations of the Study Groups and Working Groups established at Kathmandu last November. We have been impressed by the serious and sober approach of these Groups and by the solid sense of the practical manifest in the recommendations submitted by the able experts who represented their respective governments in the Groups.

Every one can see that the scope of cooperation among the South Asian countries is considerable. But even under ideal conditions, the potential can be seldom translated instantly into the actual. The complex task of reconciling the equitable apportionment of the benefits of cooperation requires careful and often tedious work. Necessarily, it calls for patience and perseverence. Very wisely, therefore, the Foreign Secretaries recognised at the very first meeting that a step-by-step approach would be more effectual. Deliberate speed has been the Keynote of our agreed approach. This approach is as valid in regard to the number of areas we may explore for cooperation as it is in respect of the concrete programmes of action to promote cooperation in each of the agreed fields.

The Pakistan delegation endorses in principle implementation on a priority basis of such programmes of action as will facilitate exchange of data, visits by experts, seminars and workshops, training facilities and consultancy services etc. These programmes can be implemented without excessive or burdensome costs. However, it would be obviously necessary for us to examine the financial implications of other proposals to determine the precise extent of costs involved.

We have noted that almost all Working Groups have abstained from recommending elaborate infrastructural agreements, institutional frameworks or formal agreements. It is advisable to guard against any hurried or premature creation of institutions. It would be advisable instead to learn from the

experience of other groups and associations that emphasize substance over form and content over framework. Institutions can grow naturally out of functional requirements in course of time in rosponse to generally felt needs. We could, therefore, examine if the groups which first studied feasibility and then recommended action programme for cooperation in each of the agreed areas may be usefully authorised to coordinate implementation of specific programmes of action approved by the Foreign Secretaries. Perhaps to start with, the current coordinator of each Working Group could be designated as Chairman for a specified term and thereafter the chairmanship could rotate among the participating countries at agreed intervals. In this way all the countries would be actively involved. The Chairman would serve as the Focal point for regional coordination for the duration of the agreed term.

With a view to keeping costs as low as possible and thus preventing unmanageable strains on the limited resources of our states, it would be necessary to avoid creation of new facilities to duplicate those that already exist in the region. Of course we would not wish to impose burdens. In accordance with arrangement to be worked out, participating countries could share the additional costs for the operation or expansion of these facilities to the extent required for regional cooperation programmes.

Where new facilities have to be created, it would be desirable to locate them in the less developed countries of the region. This would prevent accentuation of disparities, spread the benefits and, thus, fortify the commitment to regional cooperation.

Over the past sixteen months considerable exploratory work has been done. We are prepared to join in further preparations to the extent considered necessary or useful. But we feel we have by now established a large enough base to build on. We would be willing, therefore, to endorse proposals for the commencement of implementation of some at least of the agreed programmes.

A decision to launch implementation of programmmes of cooperation would provide an appropriate occasion for a Ministerial level meeting. The Pakistan delegation would be happy to join, therefore, in the further consideration to the proposal for such a meeting.

Mr Chairman,

In making these general remarks, I have been guided by the commitment of the Government of Pakistan to the concept of regional cooperation in South Asia and to our firm resolve to make every possible contribution within our means to the promotion of this objective—which we consider to be entirely consistent with the enlightened self-interest of all the states of the region.

As developing states we have much to gain from cultivating the habit of cooperation, not only because of its direct benefits in the economic field but also—and especially—because of its beneficient impact in other areas of relations among our states. As neighbours, our peoples are destined to share the fortunes of the region. In cooperation we have a better chance of influencing the evolution of the situation.

To the realisation of such a vista the Pakistan delegation will once again bend its efforts at this meeting.

Reports of the Committee(s) of the Whole that Met Twice in Colombo on 31 August-2 September, 1981, and 10-13 January, 1983 (Official Texts)

REPORT OF THE COMMITTEE OF THE WHOLE COLOMBO, AUGUST 31—SEPTEMBER 2, 1981

I. Background

(i) The Foreign Secretaries of Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka met in Colombo in April 1981, in pursuance of the initiative taken by His Excellency the late President Zia-ur-Rahman of Bangladesh, to consider the possibilities of establishing regional co-operation among the countries of South Asia.

(ii) The Foreign Secretaries agreed that regional co-operation in South Asia is beneficial, desirable and necessary, and they noted the need to proceed step by step, on the basis of careful and adequate preparation for early realisation of such co-operation.

(iii) The Foreign Secretaries also agreed that there were several areas in which mutually beneficial regional co-operation could take place and, in this connection, took note of the areas of co-operation mentioned in the Bangladesh paper, which had provided a basis for their discussions. As an initial step, they agreed to establish 5 Study Groups in the fields of Agriculture, Rural Development, Telecommunications, Meteorology and Health and Population Activities, under co-ordination by assigned countries, which would conduct in-depth studies and make concrete recommendations to the next meeting of Foreign Secretaries in accordance with specified terms of reference.

(iv) The Foreign Secretaries also agreed to set up a Committee of the Whole comprising senior officials of the seven countries to identify and report on other areas of possible co-operation, for consideration at their next meeting. It was decided that Sri Lanka would be the Co-ordinator country for this Committee.

It was further decided that all countries would nominate their representatives on this committee and send information in this regard within three weeks to the Foreign Office of Sri Lanka. The first meeting of the Committee of the Whole was to be convened not later than August, 1981.

(v) In pursuance of these decisions, the Foreign Secretary of Sri Lanka intimated to his colleagues his intention to convene a meeting of this group at a mutually convenient date within the time-span envisaged, and nominated his representatives on the Committee. At the same time, he invited the other Governments to intimate their nominations for membership of the Committee, and requested of them any views, suggestions or recommendations which would facilitate the Committee's work.

(vi) The Governments of Bangladesh and India submitted papers reiterating the views already expressed at the Foreign Secretaries Meeting last April in respect of other areas of possible co-operation. Available views were then collated by Sri Lanka, as Co-ordinator, in a working paper designed to provide a basis for discussion at the Committee's meeting, which was convened during 31st August, 1st and 2nd September, 1981 in Colombo.

II. Terms of Reference

The terms of reference for the Committee of the Whole in the Joint Communique issued at the conclusion of the Foreign Secretaries Meeting last April were "to identify and report on other areas of possible Cooperation for consideration."

III. Discussions

(i) The Committee having dispensed with formal conference procedures and records, proceeded to wide ranging discussion

on all aspects of the matter using the Sri Lanka working paper as a basis for its discussion.

(ii) The Committee considered the original working paper submitted by the Government of Bangladesh, in November 1980, identifying eleven subject areas of possible regional co-operation. These were—Telecommunications, Meteorology, Transport, Shipping, Tourism, Agriculture/Rural Sector, Joint Ventures, Market Promotion in Selected Commodities, Scientific and Technological Co-operation, Education and Technical Co-operation and Cultural Co-operation, and Health, which was proposed by the Maldives.

(iii) In this connection, the Committee noted that the Foreign Secretaries in April 1981, had agreed as an initial step to set up study groups in the fields of Agriculture, Rural Development, Telecommunications, Meteorology and Health and Population activities.

(iv) The Committee also had before it a Note submitted by the Government of India regarding further areas for regional co-operation.

(v) A view was expressed that the Committee of the whole should concern itself with identifying areas other than those which had already been noted by the Foreign Secretaries, at their meeting in April 1981. However, the other representatives were of the view that the mandate issued to the Committee by the Foreign Secretaries did not preclude the Committee's consideration of such areas.

(vi) From the deliberations of the Committee, the following cooperation were identified:

(1) Education and Training
(2) Cultural Exchanges
(3) Scientific and Technological Cooperation including Cooperation in the field of New and Renewable Sources of Energy
(4) Tourism
(5) Transport
(6) Shipping
(7) Monetary Cooperation
(8) Co-operation in International Economic Negotiations and Negotiations with Multi-national Corporations
(9) Information and Mass Communication

(10) Environment including Marine Pollution Control
(11) Postal Services (as a part of Telecommunication)
(12) Co-ordination of Policies on Manpower Export
(13) Promotion of Co-operation amongst Regional Planners, Non-governmental organisations, Academic, Research and Other Institutions.

(vii) In identifying the above listed areas of possible co-operation, the Committee was mindful of the need to view regional co-operation as an evolutionary process to be seen in a long-term perspective, as well as its being a flexible process which would permit the elaboration of co-operative arrangements in as many fields as mutually agreed upon in these multi-dimensional areas of regional co-operation.

(viii) In connection with the areas identified, a view was expressed that the rule of unanimity adopted by Foreign Secretaries also applied to the conclusions of this Committee. Another view was that the Committee of the Whole was a consultative and not a deliberative body and it was for the Foreign Secretaries to take decisions on the conclusions in accordance with the principles adopted by them.

IV. Conclusion

(i) Having considered the substantial economic and social benefits that the member countries can mutually derive from regional co-operation in various fields, and taking note of the views expressod by the representatives, the following areas of possible cooperation were identified for consideration by the Foreign Secretaries:

(1) Educational and Training
(2) Cultural Exchanges
(3) Scientific and Technological Co-operation including Co-operation in the field of New and Renewable Sources of Energy
(4) Tourism
(5) Transport
(6) Shipping
(7) Monetary Co-operation
(8) Co-operation in International Economic Negotiations and Negotiations with Multinational Corporations

(9) Information and Mass Communication
(10) Environment including Marine Pollution Control
(11) Postal Services (as a part of Telecommunications)
(12) Co-ordination of Policies on Manpower Export
(13) Promotion of Co-operation amongst Regional Planners, Non-governmental Organisations, Academic, Research and other Institutions.

(ii) One representative reserved his position in respect of Paragraph IV (i) above.

Note: The following are annexed:

(a) Extracts of the Bangladesh Working Paper of November, 1980.
(b) An Indian Note regarding areas of Co-operation
(c) A Sri Lankan Working Paper collating these views
(d) List of Participants.

ANNEXURE (A)

Extracts of the Bangladesh Working Paper of November 1980

It has been stated earlier in the paper that co-operation in the economic sphere could be the starting point which could be expanded to include social and cultural co-operation. Science and technology also seem to offer great possibilities. Within these very broad parameters one can identify certain fields in which co-operation will not only be highly beneficial but also present a maximum convergence of common interest. In selecting these fields one will have to bear in mind the need to avoid duplication and overlapping functions and jurisdictions. After a careful analysis of the activities of the existing forums both regional and international, it appears that a beginning can be made in South Asia in the following fields :

(a) Telecommunications

Telecommunications happens to be an integral part of the economic infra-structure in every society. Economic activities, dissemination of knowledge, vastly expanded social contacts of highly mobile individuals in contemporary societies, and last but not the least, trade and commerce depend upon an efficient telecommunication network. A telecommunication system in a country can attain its optimum level of efficiency and usefulness if it can be linked up with similar systems in neighbouring countries. As at present, it is a fact that in South Asia, it is easier to communicate with Europe and America than with next door neighbours.

(b) Meteorology

In the field of meteorology, co-operation could pay rich dividends to the member countries of the South Asian region. Facilities for the scientific weather forecasting and introduction of the latest techniques of and methods for the study of climate patterns could be organised on a regional basis. Since most of the countries of the region face permanent exposure to the hazards of cyclonic storms and other such natural disasters, active co-operation towards sharing the fund of knowledge, techniques, data, etc. gathered in this area will significantly benefit the member countries. These efforts would naturally be designed to strengthen the present international arrangements that may be operative in the region.

(c) Transport

In order to ensure an effective flow of movement of goods and also to facilitate intra-regional traffic, a well-integrated system of communications especially in the form of road and rail links, would be invaluable for economic development of the region. The national plans for building roads and for establishing railway lines could be harmonised at the frontiers to allow easy access across the national borders, without any substantial cost. Co-operation in this area would bring the countries closer through increased surface mobility.

(d) Shipping

The importance of shipping in the external trade of any country, whether coastal or landlocked, can hardly be overemphasized. Its relative advantage over other means of transport as bulk carrier is also well recognised.

The world shipping market at present is overwhelmingly dominated by the developed countries. Thus, conditions imposed by these countries and the liner conference arrangements controlled by them militate against the natural desire of developing countries to increase their tonnage capacity for a greater share in the transportation of sea cargo. The frequent escalation in the freight charges advesely affects the development needs and the balance of payments position of the developing countries.

Thus, in order to bring about a degree of self-sufficiency in this field and to give an additional fillip to economic development of countries of this region, shipping is a natural area for co-operation on a regional basis.

(e) Tourism

Tourism is another area where there exists a vast potential for intra-regional co-operation. The revolutionary growth of air transportation in recent time has made tourism the second largest export industry in the world. It is essential that South Asia gets a greater share of the world market.

The potential of the region to attract tourism is virtually unlimited. The combined efforts of the countries of the region can be geared to develop this potential to their common benefit. This can be done by strengthening the infra-structure at home and by a vigorous marketing effort abroad. The rich and ancient heritage of the sub-continent and the varied scenic beauty of different parts of the region will provide the necessary attraction for foreign visitors. Intra-regional tourism can also be a major force in forging greater understanding between and among the countries and people of the region.

It the combined resources of South Asia can be tapped, better facilities can be provided to tourists which would doubtless increase their number. For instance, joint package tours with reduced group fares could be organised; there could be cooperation among the various travel agencies operating in the region that could enable co-ordinated tour programmes, common tourist policies could be evolved after due consultations among the concerned governments.

(f) Agricultural/Rural Sector

South Asian countries, given their dependence on this sector, already have a large number of institutions engaged in research and development in a wide variety of fields. Regional cooperation would usefully augment the growing fund of knowledge and techniques in these fields. A co-ordinated arrangment for sharing information, experiences and results of experiments, etc., could effectively hasten the process of growth and

productivity in this vital sector. Similarly, in view of the importance of developing the rural sector in particular, exchange of ideas and sharing of exprience in the sphere of rural intsitution-building could result in significant advance as well as savings both in resources and time.

(g) Joint Ventures

An economic cooperation group creates a wider market for commodities requiring large-scale production. It also provides a scope for utilisation of hitherto unexploited resources through more efficient organisation and optimum employment of existing resources. By increasing the range of production and ensuring higher returns on capital, it can create a self-sustained basis for further cooperation. Such multi-lateral economic groups not only can attract capital and technology from outside, but also obtain exemptions from GATT rules on non-discriminatory treatment on trade. Joint ventures provide the most potent field for reaping all these advantages for countries belonging to such a group. It is also one of the most tangible and productive forms of cooperation within the framework of ECDC.

The countries in South Asian region possess a wide range of natural and mineral resources, technical know-how, trained manpower and a vast market. In spite of the fact that these countries are at varying stages of development, it is possible to identify potential areas for joint ventures, evolve appropriate institutional framework and policy instruments on the basis of equitable benefit accruing to these countries. Cooperative endeavours in the economic field can be undertaken to expand the product base through joint ventures that will lead to the creation of other favourable factors for further cooperation.

(h) Market Promotion : Selected Commodities

The countries of this region enjoy a significant share of the world market for a number of commodities such as tea, jute and cotton. Most of these countries have separately undertaken marketing and promotional efforts for these commodities. It is well recognised that joint initiatives can reduce promotional cost and have greater impact in the export markets. Moreover,

they also enable the countries of South Asia, particularly the less developed among them, to take full advantage of the liberal measures available under the Generalised System of Preferences (GSP) in the markets of the developed countries. In the face of growing competition from substitutes as well as uncertainties due to price fluctuation, such joint initiatives will provide additional guarantee for further expansion of markets at remunerative prices.

(i) Scientific and Technological Cooperation

Countries of the South Asian region have a special need to develop effective use of science and technology for alleviating the widespread poverty that is a common characteristic of the area. It is recognised that the promotion of scientific education will not achieve the desired results unless science can be applied in practical terms for the development of agriculture, industry, energy and all other needs of society. There is indeed ample scope for further programmes in the field of applied science and technology to meet the basic requirements of the people of the region, particularly those in the rural areas. In many cases, the experience gained by these countries in this sphere can be shared with greater advantage than technology borrowed from the industrialised countries of the developed world.

Co-operation in this field is particularly relevant in regard to both conventional and non-conventional sources of energy. Such co-operation could explore ways and means of reducing dependence on foreign sources by the development of local energy sources; improvement of efficient energy use through development of low-energy technology; reservation of non-renewable energy sources etc.

Concerned research and action-oriented programme for eradication and elimination of such diseases as Malaria, Cholera, etc., afflicting the people of this region could also be an effective and useful area of co-operation.

(j) Educational and Technical Cooperation

Co-operation at international and regional level with regard to education has now been well established and institutionalised

in many regions. In this region also, shared experience of the countries could be usefully exchanged in matters pertaining to this subject.

A primary common concern among these countries is, for instance, how to provide cost-effective educational services which could reach out to millions of school-age children who crowd the cities and villages. The experience of countries of the region, ranging from such areas as book production, manufacture of low-cost scientific equipment to matters connected with curriculum formation, examination procedures, teacher training and in-service training, non-formal education, just to name a few, could be usefully shared.

These countries having similar problems could benefit more from the expertise of personnel trained in the region than from that of foreign experts who obtain their training in an entirely different environment, and who, consequently, fail to develop the correct orientation in dealing with regional problems. Workshops, seminars, conferences and visits of technical experts organised on a regional basis could provide useful exchange of knowledge and experience.

(k) Cultural Co-operation

The South Asian countries are heirs to some of the richest cultural traditions of the world. The influence of the major religions—Hinduism, Buddhism, Christianity and Islam—on the different countries of the region in varying degrees, has contributed to the richness and diversity in the cultural heritages of these countries. This is, therefore, a field in which regional co-operation can be of considerable benefit in a better understanding of the cultural heritage of the countries in the region and, as a result, in promoting mutual goodwill. As a matter of fact, cultural exchanges are already taking place between these countries on the basis of bilateral agreements. A regional approach would, however, introduce a new dimension in the cultural exchange programmes.

One can readily see numerous possibilities. There can be, for example, a South Asian regional film festival in one of the capitals. Also, exhibitions of paintings can be organised on a regional basis. These can become a major source of encourage-

ment for artistic activities within the region. Handicrafts of the different countries of the region can also be enriched by holding exhibitions on a regional basis from time to time. Sports is another field which offers great possibilities. South Asian games and sports organised on an annual basis can become an integral part of the cultural life of the area. All these possibilities clearly indicate that the cultural field is an area that has a very wide scope for co-operation in the South Asian region.

ANNEXURE B

An Indian Note Regarding Areas of Cooperation

The Indian views in regard to possible areas of regional cooperation were spelt out in the statement made by Foreign Secretary, Shri R. D. Sathe, in the Colombo meeting of the Foreign Secretaries held last April. He had then stated that the exercise of identifying areas "has to relate to functional co-operation in areas which are most relevant for the socio-economic development of our peoples." He had observed that the involvement of peoples in the region is of cardinal importance and the need to involve the academic community, and the non-governmental organisations, in this exercise is also very desirable. He had pointed out the advisability of the economic planners of the countries of the region to meet at regular intervals to discuss and exchange our experience in the field of planning as also to consider long-term planning perspective taking into account the possibilities of regional co-operation.

2. India feels that the scope of the work of the existing study group on telecommunication should be widened so as to include co-operation in the sector of postal services. It is also suggested that the two existing study groups on agriculture and rural development may be combined as one study group.

3. Apart from the above amendments, possibility of setting up new study groups on following posible areas of regional cooperation may be examined:

(a) *Cultural Field*—As already observed by India's Foreign Secretary in his statement to the Colombo meeting, the cultural co-operation can cover sports, education, films, theatres, production of text books, organisation of seminars and exhibition, regional film festivals, etc.

(b) *Infra-structural Field*—This cooperation can extend to the following areas :

(i) *Transport*—In order to ensure an effective flow of movement of goods and also to facilitate inter-regional traffic, a well integrated system of communications especially in the form of road and rail lines would be invaluable for economic development of the region. An increased surface mobility will go a long way to contribute to the regional co-operation among the South Asian countries.

(ii) *Shipping*—In this area, too, we feel that the condition imposed by the developed countries and the liner conference arrangements controlled by them militate against the national desire of the developing countries to increase in the course of time their tonnage capacity for a greater share in the transportation of sea cargo. Further, the frequent escalation in the freight charges adversely affects the development needs and the balance of payment position of the developing countries. In order to bring about a degree of self-sufficiency in this field and to give an additional fillip to economic development of the countries in this region, shipping seems to be a natural area for co-operation on a regional basis.

(iii) *Tourism*—This is another area where there exists a vast potential for intra-regional co-operation in South Asia. The revolutionary growth of air transportation in recent times has made tourism the second largest export industry in the world. It is essential that the countries of South Asia get a greater share of the world market in tourist traffic. The potential of the region to attract tourists is virtually unlimited and needs to be explored in depth.

(iv) *Market Promotion*—One of the richest areas for regional co-operation in our view is market promotion in selected commodities of common interest. Joint initiatives in the region can reduce costs and have greater impact in the export markets of a number of commodities. The countries of the region command a

significant share of the world market for commodities such as tea, jute and cotton. At present there are competitive promotional activities but these can be usefully and effectively combined to optimise results.

(c) *Co-operation Related to International Economic Negotiation*—This field for co-operation is being suggested with a view to present a common approach with respect to the development aid, trade concessions, etc. It would mean adopting a common stand, to the extent possible, as a group at the North-South Dialogue, ECDC, in the UNCTAD, and ESCAP sessions and in the World Bank and other U.N. forums connected with aid to developing countries and other aspects of development co-operation. The common strategy will be directed towards the achievement of the objectives of NIEO involving reforms in the international monetary system, stabilisation of prices of commodities of common interest for their joint marketing and measures for facing competition from synthetics in the world market.

(d) *Scientific and Technological Co-operation*—Countries of South Asian region have a special need to develop effective use of science and technology for alleviating the widespread poverty that is a common characteristic of the area. Cooperation in this field is particularly significant in view of the fact that experience gained by the South Asian countries in this sphere can be shared with greater advantage than the technology borrowed from the industrialised countries of the developed world. This cooperation can be particularly beneficial in the field of conservation of energy, improvement of efficiency in one of the existing sources of energy through development of low-energy technology, and R & D aspects of new and renewable sources of energy.

4. India feels that the Committee of the Whole should also give attention to the following paths along which development of regional cooperation in South Asia can be promoted and thus are relevant for consideration by each of the study groups:

(a) Interchange of experience;
(b) Cooperative development; and
(c) Expanding economic relations.

5. South Asian countries can learn from one another in a great variety of ways, for instance, through exchange of teachers and students, through visiting delegations drawn from different walks of life, through collaboration among scholars and research institutions, and through various forms of cultural and scientific co-operation. Much progress can be made by encouraging lateral contracts between corresponding groups of institutions like professional associations in different fields, universities, academies of arts, literature and science, media organisations, and other appropriate bodies.

ANNEXURE C

Sri Lanka Working Paper

1. Introduction

This brief working paper is designed to identify the terms of reference for this meeting and to provide a loose structure around which the discussions could proceed. It is without prejudice to any documents to be tabled by participants upon the commencement of the discussions.

2. Background

Amongst the decisions taken by the Foreign Secretaries of the participating countries, when they met in Colombo last April, was the following:

> "The Foreign Secretaries also agreed to set up a Committee of the Whole comprising Senior Officials of the seven countries to identify and report on other areas of possible co-operation for consideration at their next meeting.

It was decided that Sri Lanka would be the coordinating country for the Committee of the Whole".

This decision of the Foreign Secretaries is to be read in conjunction with their earlier decision that, as an initial step towards identifying areas for mutually beneficial regional co-operation, five Study Groups covering Agriculture, Rural Development, Telecommunications, Meteorology and Health and Population Activities should be initiated and co-ordinated by Bangladesh, Sri Lanka, Pakistan, India and Nepal respectively, to conduct in-depth studies to make concrete recommendations for the next meeting of Foreign Secretaries.

3. Terms of Reference

Whereas the Study Groups in identified fields were required to conform to detailed terms of reference, the Committee of the Whole was only charged with identifying and reporting on other areas of possible cooperation. Hence, it would seem that the Committee is not required to undertake an in-depth study of any particular area, nor to make detailed recommendations for action within such area.

4. Structure for Discussions

The Government of Bangladesh, in its original working paper, submitted in November 1980, identified 11 areas of possible cooperation. These were:

> Telecommunications, Meteorology, Transport, Shipping, Tourism, Agriculture/Rural Sector, Joint Ventures, Market Promotion, Selected Commodities, Scientific and Technological Cooperation, Education and Technical Cooperation and Cultural Cooperation. To those eleven was added Health, as proposed by the Maldives.
>
> Some of those subjects are covered under detailed studies now being undertaken. They are: Telecommunications, Meteorology, Agriculture, Rural Development and Health/Population Activities.

In respect of other areas, the Indian Government has suggested, both in the General Statement that the Indian Foreign Secretary made at the last inaugural meeting, as well as in its Note submitted for the present discussion that subject headings be grouped into broadly related combinations on a functional basis. India accordingly identified the broad area of cultural activity, covering sports, education, films and theaters, production of text books, organisation of seminars and exhibitions, film festivals, etc. Thereafter, India has identified an infra-structure group of subjects including transport, shipping, tourism and market promotion. The Indian Paper then identifies two other broad groups of subjects : Those relating to co-operation at international economic negotiations, etc., and

Scientific and Technological Cooperation.

A convenient starting point of reference for the discussions might indeed be such a broad grouping, with additions, and deletions flowing therefrom. Moreover, although no precise terms of reference were spelt out by the Foreign Secretaries for the deliberations of the Committee of the Whole, the Committee may find it useful to bear in mind the essential structure of the detailed terms of reference set for the particular study groups. The main elements of that structure were: A review of existing arrangements for any area, the usefulness of augmentative and supportive action in such areas and the prospects for an action programme being devised by further detailed studies. It would seem that such an approach might better focus the Committee's attention upon an identifiable agreed range of subjects for recommendation to the Foreign Secretaries.

5. Concluding Report

As with the particular study groups separately established, it would seem to be the case that the Committee of the Whole too is not bound by any unanimity rule in respect of its recommendations, since the unanimity rule would only apply to binding decisions. Hence, the report would attempt to identify the widest area of agreement regarding subjects which are recommended for further detailed study.

REPORT OF THE COMMITTEE OF THE WHOLE COLOMBO, 10-13 JANUARY, 1983

Introduction

1. In pursuance of the mandate set out in paragraphs 17 and 18 of the joint communique issued on 9th August, 1982 at the conclusion of the Islamabad meeting of the South Asian Foreign Secretaries, the Committee of the Whole comprising senior officials of the seven countries assisted by the Chairman

of the eight Working Groups met in Colombo, Sri Lanka, from 10-13 January, 1983. The list of participants is appended.

2. The meeting of the Committee of the Whole as well as the meetings of the eight Working Groups recently concluded in the various coordinator countries arose out of the need to prepare adequately for a Ministerial level Meeting to be held in 1983. This is to be preceded by a preparatory meeting of South Asian Foreign Secretaries scheduled to be held in Dhaka in March 1983.

Terms of Reference

3. The Committee of the Whole, under the Chairmanship of Sri Lanka, was required, on the basis of the reports of the Working Groups :

(i) to prepare an Integrated Programme of Action in the agreed areas of cooperation,
(ii) to recommend modalities and mechanisms for implementation, coordination and monitoring of the agreed Programme of Action, and
(iii) to the extent possible, to provide indications of the financial implications of the short term component of the integrated Programme of Action, and recommend funding modalities and arrangements for its long term component.

4. Earlier, the Working Groups on (a) Agriculture (b) Rural Development (c) Telecommunication (d) Meteorology (e) Health and Population Activities (f) Transport (g) Postal Services and (h) Scientific and Technological Cooperation had met in the countries of the respective Coordinators and submitted their recommendations. The Chairmen of the Working Groups assisted the Committee of the Whole in collating the sectoral programmes into an integrated Programme of Action.

5. It was recalled that the mandate of the Committee followed the decision by the Foreign Secretaries to endorse recommendations of Working/Study Groups on programmes of cooperation formulated earlier. The Committee of the Whole was, therefore, faced with linking these recommended

programmes into a composite framework. It was acknowledged that the Committee of the Whole would not duplicate or modify programmes already endorsed by the Foreign Secretaries. The Foreign Secretaries had agreed that the implementation of the recommendations of the Working Groups should be initiated as expeditiously as possible, where the expenditure for such programmes could be met from available financial resources, and that action in this regard would be co-ordinated by the Chairmen of the respective Groups.

Integrated Programme of Action

6. In approaching its task the Committee of the Whole recalled the overall objective of South Asian Regional Co-operation, which was the promotion of the welfare of the peoples of South Asia and the improvement of the quality of life. They also kept in mind the reaffirmation of the commitment of their countries to promote and strengthen cooperation among themselves in the conviction that regional cooperation was beneficial, desirable and necessary.

7. The Committee noted that the cooperative activities identified by the Working Groups could be briefly divided into two categories :

(a) *Activities amenable to short term cooperation:* These included, inter alia:

(i) Exchange of data
(ii) Exchange of expert services
(iii) Training and research
(iv) Holding of seminars/workshops in the countries of the South Asian Region.

(b) *Activities amenable to long term cooperation :* These included, inter alia :

(i) Establishment of regional institutions for training and research.
(ii) Creation/strengthening of linkages among existing national institutions in the seven South Asian countries in the agreed areas of cooperation.

(iii) Strengthening of infra-structural support in such areas as postal services, telecommunication, railways, highways, shipping, meteorology etc., which would require capital investment by participating countries.

8. It was agreed that, whilst a measure of commonality was evident in the sectoral programmes envisaged by these Groups (as mentioned above), there were inevitable diversities arising from the nature and specificity of sectoral activity. The Committee, therefore, decided to annex to its Report a summary of the recommendations of each of the sectoral Working Groups. These recommendations would form an integral part of the Programme of Action.

Modalities and Mechanisms for Implementation, Coordination and Monitoring

9. The Committee noted that there already exists a useful network for implementation and monitoring of the Programme of Action in the various areas identified for regional cooperation.

(i) *At the sectoral level*, eight Working Groups have been established with co-ordinator countries acting as their Chairmen. It is intended that focal points be identified in various Ministries/national institutions/apex organisations, where this has not already been done.

(ii) *At the national level*, focal points have already been established in the respective Ministries of Foreign Affairs of the seven countries, for overall coordination and monitoring.

10. The Committee, after careful consideration, decided to recommend the following :

I. AT THE SECTORAL LEVEL

(i) to redesignate the Working Groups as Technical Committee identified by subject titles e.g. Agriculture

Committee, which would continue to be responsible for the implementation, coordination and monitoring of the programmes pertaining to its sector, and would submit periodic reports to a Standing Committee. The Chairmanship would rotate among the countries of the region in alphabetical order, every two years as already decided. The Technical Committees may, inter-alia, use the following mechanisms and modalities, if and when considered necessary :

(a) Meetings of Heads of National Technical agencies
(b) Meetings of experts in specific fields
(c) Contacts amongst recognised centres of excellence in the region. These centres may be reinforced anp extended as considered feasible and desirable for the optimal use of the resources of the region for meeting the requirements of the cooperation programme.

(ii) The terms of reference for the Technical Committees would comprise the following:

(a) Determination of the potential and the scope of regional co-operation in agreed areas.
(b) Formulation of programmes of action and preparation of projects.
(c) Determination of financial implications of the sectoral Programme of Action.
(d) Formulation of recommendations regarding the apportionment of costs.
(e) Implementation and coordination of sectoral Programmes of Action.
(f) Monitoring of progress of implementation.

II. AT THE REGIONAL LEVEL

(i) A Standing/Review Committee should be constituted with the following terms of reference:

(a) Approval of projects/programmes, including their modalities of financing.
(b) Determination of inter-sectoral priorities and overall coordination of Programmes of Action.
(c) Mobilisation of regional and external resources.

(d) Review of progress of implementation of sectoral Programmes of Action.

(e) Identification of new areas of cooperation based on appropriate studies.

11. In the case of projects involving more than two countries but not all the countries of the region, Action Committees may be set up for their implementation with the prior approval of Foreign Secretaries. An Action Committee would consist of only those countries which are involved in a project.

12. The Foreign Secretaries may determine both the level of meetings of such Standing/Review Committee as well as their periodicity, at their next meeting.

13. There will be referral by this Standing/Review Committee, as and when necessary to a Ministerial level for decisions on policy guidelines, both in respect of the approval of projects/programmes as well as the authorization of modalities for financing. The Standing Committee would provide necessary support services for meetings at the Ministerial level.

Arrangements for Financing

14. In the light of the directive given by the Meeting of the Foreign Secretaries in Islamabad, the Working Groups themselves sought to work out the financial implications of the short-term components of their recommended programmes of Action. The Committee noted that in some cases the Working Groups were able to quantify the cost of short term programmes as indicated in the programme summaries. In other cases Working Groups had delineated respective financial liabilities that were likely to be incurred as a guideline to determining costs.

15. In a number of cases, however, the Working Groups could not estimate costs or delineate financial liabilities in the absence of prior determination of various parameters involved. The decisions of government were needed in such matters as the number of fellowships, months of expert services that could be available, the location of activities and their time phases etc.

16. In the case of longer term components of various programmes, the problems of quantifying costs and recommending arrangements for financing appeared to be much more formid-

able as these activities involved political decisions on the size and the scale of projects, various technological options available, geographic location, socio-economic considerations and other factors.

17. The Committee agreed that the fundamental premise of financing arrangements should be the unfettered discretion of member Governments to determine the level and manner of their financial allocations for regional activity. In that light, the following are some illustrative fiscal procedures which are suggested by the Committee for consideration by the Governments :

(a) Regular allocations for regional cooperation under the sectoral Ministries, in the national budget.
(b) Ad hoc allocations.
(c) Assistance to one another, through such mechanisms as scholarships, concessionary air-fares and accommodation, etc.

18. In this regard the Committee took note of the asymmetry in levels of economic development among the seven South Asian countries as well as of the need to impart in identifiably South Asian context to the proposed regional actions and their funding.

19. The Committee noted that it was not feasible to lay down precise guidelines for the apportionment of the costs of implementing each and every type of activity proposed by Technical Committees, and that it would be up to each Technical Committee to make recommendations in this regard. However, the Committee recognised the need for some uniformity and, accordingly suggests the following guidelines :

(a) Except to the extent otherwise agreed, in the case of seminars, workshops and training programmes, the cost of travel and subsistence for participants would be met by their respective Governments and the cost of organising may be met by the host country, apportioned amongst participants in proportion to the facilities availed of or financed from external resources.
(b) Except to the extent otherwise agreed, in the case of

expert services, the cost of subsistence for the expert would be met by the receiving country whilst the cost of travel and/or salary of the expert may be paid for by the sending country, shared amongst participating countries or externally funded.

(c) Other costs, such as for the preparation of feasibility studies etc., would be shared on a mutually agreed basis.

(d) In the case of long-term projects, the Technical Committee concerned would estimate the costs involved and would submit recommendations on modalities for meeting the costs as an essential element of the project document.

20. The Committee recognised that, as the scope of regional collaboration broadens in the fullness of time, contributions may be made to a fund by participating countries on the basis of agreed criteria. The Committee felt, however, that the time had not yet arrived to elaborate detailed recommendations in this regard since expenditures presently envisaged, in respect of short and longer term components of action programmes do not warrant the immediate creation of such a fund.

21. The Committee also accepted that, where sufficient financial resources could not be mobilised within the region, recourse could be taken to external assistance from appropriate sources. This could apply not only to projects as such, but to any other aspect of regional programmes such as feasibility studies, technical assistance etc.

Other Issues

STUDY GROUPS ON SPORTS, ARTS AND CULTURE

22. The Committee had been mandated to identify a Coordinator for the new proposed Study Group for Sports, Arts and Culture. In that connection, the Committee accepted with appreciation the offer of the Government of India to undertake that responsibility.

E.E.C. AND I.T.U. OFFERS OF ASSISTANCE

23. The Committee took cognizance of the offers of financial assistance for South Asian Regional Cooperation already received from the E.E.C. and I.T.U. In regard to the former, it was decided to recommend that the current Chairman of the Group of Foreign Secretaries, His Excellency the Foreign Secretary of Pakistan should seek the concurrence of the E.E.C. towards utilising the assistance offered for any aspect of programme activity connected with South Asian Regional Cooperation, rather than in direct relation only to a specific project. Depending upon the outcome of such an approach the Foreign Secretaries would be called on to decide, at their next meeting, a procedure for the utilisation of the E.E.C offer.

24. In regard to the I.T.U. offer, the Committee decided to recommend to the Foreign Secretaries the acceptance of this offer, and its utilisation as determined by the Telecommunications Working Group on the basis of their chosen priorities.

TIMING OF 4TH FOREIGN SECRETARIES MEETING

25. The leader of the Bangladesh Delegation indicated his Government's proposal of the dates 28, 29, 30 March 1983, as the timing for this meeting. The Committee agreed to alert their respective Governments to these proposed dates, whilst the Leader of the Pakistan Delegation undertook to initiate through his Foreign Secretary the usual consultation on receipt of a communication from the Bangladesh Government.

Conclusion of the Meeting

26. The Chairman thanked the leaders and their Delegations for the complete cooperation and assistance received from them in successfully fulfilling the mandate issued to the Committee.

27. At the conclusion of their meeting, the Leaders of the Delegations expressed their sincere and warm appreciation and gratitude to the Chairman of the Committee of the Whole and the Government of the Democratic Socialist Republic of Sri Lanka for the excellent arrangements that had been made for the meeting and the efficient services provided which had

enabled them to expeditiously and successfully conclude their meeting.

Ministry of Foreign Affairs,
Colombo.
13th January, 1983.

Note: Annexures on the 'List of Participants' and the "Recommendations" of the various "Working Groups" have been deleted due to the limitation of space.

—Authors

STATISTICAL TABLES
(South Asian Countries)

TABLE I

Some Basic Indicators of

	Bangladesh	Bhutan	India	Maldives	Nepal	Pakistan	Sri Lanka
Population (millions) mid 1980	88.5	1.3	673.2	0.2	14.6	82.2	14.7
Area (thousands of square kms)	144	47	3,288	(.)	141	804	66
GNP per capita (Dollars)	130	80	240	260	140	300	270
GNP per capita—Average Annual Growth (per cent) 1960-80[a]	(.)	-0.1	1.4	1.3	0.2	2.8	2.4
Average annual rate of inflation (per cent 1960-70)[b]	3.7	. .	7.1	. .	7.7	3.3	1.8
1970-80[c]	16.9	. .	8.5	. .	8.6	13.5	12.6
Adult Literacy % 1977	26	. .	36	82	19	24	85
Life expectancy at birth years 1980	46	44	52	47	44	50	66
Average index of food prodution per capita 1969-71=100 (1978-80)	94	105	101	. .	88	101	121
Inhabitants per sq. km, 1980	616	28	202	N.A.	100	103	225

(a) Figures in italics are for 1961-74, not 1960-74.
(b) Figures in italics are for 1961-70, not 1960-70.
(c) Figures in italics are for 1971-70, not 1970-80.

Sources: Compiled from World Bank, World Development Report 1982, Table 1, p. 110.
Figures for Maldives are taken from a Table on p. 163 of World Development Report 1982.
Figures for inhabitants per square km have been taken from UNESCO Statistical Year Book, 1982, Pp. 1-10.

TABLE II

Work Force and Social Indicator

Work Force	*Bangladesh*	*Bhutan*	*India*	*Maldives*	*Nepal*	*Pakistan*	*Sri Lanka*
Total (million)	31.7	0.3	271	0.067	8.3	25.24	4.737
% Commerce, services	6.5	1.0	6.1	15.79	3.95	15.9	22.9
% manufacturing	11.0	1.0	11.1	20.55	0.18	13.6	9.3
% agriculture and fishing	77.5	94.0	72.8	49.74	82.8	55.5	50.1
% construction	N.A.	1.3	N.A.	2.79	0.15	4.2	2.8
% Government and public authorites	N.A.	N.A.	9.6	14.65	1.3	1.0	14.9
Social Indicators							
Hospital beds per 1,000	0.12	0.36	0.7	0.16	0.20	1.76	2.9
Doctors per 1,000	0.6	0.03	0.32	0.08	0.039	0.31	0.14
TV receivers	250,000	Nil	953,000	326	2000	305,000	137,000
Radios	5.5m.	10,000	26.2m	6,751	500,070	1.7m	4.5m
Telephones	94,000	1,200	3.0m	1,064	17,000	361,000	60,070
Cars	38,000	1,100	835,000	238	12,245	280,000	120,873
Trucks and Motor Cycles	30,000	N.A.	1.15m	225	8,882	159,000	81,910
	44,500	N.A.	2.2m	584	13,599	485,000	79,803
Length of railways (km.)	2,874	nil	63,013	nil	77.2	8,823	1,453
Locomotives	368	nil	11,620	nil	18	960	[illegible]

Source: Far Eastern Economic Review, Asia 1983 Year Book, p. 7.

TABLE III

Population Growth, Past and Projected and Hypothetical Stationary Population

Country	*Average annual growth of population (per cent)*			*Projected Population (millions)*		*Hypothetical size of stationary population (million)*	*Assumed year of reaching reproduction rate of 1*	*Year of reaching stationary population*
	1960-70	*1970-80*	*1980-2000*	*1990*	*2000*			
Bangladesh	2.4	2.6	2.3	113	141	321	2,035	2,125
Bhutan	1.8	2.0	1.8	2	2	5	2,040	2,135
India	2.3	2.1	1.9	883	994	1,194	2,020	2,115
Nepal	1.8	2.5	2.1	18	22	54	2,045	2,135
Pakistan	2.8	3.1	2.5	107	134	308	2,035	2,125
Sri Lanka	2.4	1.6	1.8	18	21	31	2,010	2,070

Source : World Bank: World Development Report, 1982, p. 162.

TABLE IV

Structure of Merchandise Imports

Country	Percentage Share of Merchandise Exports									
	Fuels, minerals and metals		*Other primary commodities*		*Textile and clothing*		*Machinery and Transport equipment*		*Other manufactures*	
	1960[a]	1979[b]	1960[a]	1979[b]	1960[a]	1979[b]	1960[a]	1979[b]	1960[a]	1979[b]
Bangladesh	. . .	(.)	. .	34	. .	49	. .	1	. .	16
India	10	8	45	31	35	20	81	8	9	33
Nepal	. .	0	. .	72	. .	22	. .	0	. .	(.)
Pakistan	0	7	73	37	23	40	1	2	3	14
Sri Lanka	(.)	14	99	74	0	7	0	(.)	1	5

(a) Figures in italics are for 1960.
(b) Figures in italics are for 1978 not 1979
Source : World Bank, World Developmont Report, 1982, p. 126.

TABLE V

Structure of Merchandise Exports

Percentage Share of Merchandise Imports

Country	Food		Fuels		Other primary commodities		Machinery and transport equipment		Other manufactures	
	1960[a]	*1979*[b]	*1960*[a]	*1979*[b]	*1960*[a]	*1979*[b]	*1960a*	*1979b*	*1960a*	*1979b*
Bangladesh	..	25	..	12	..	8	..	24	..	31
India	21	14	6	26	28	11	30	19	15	30
Nepal	..	3	..	14	..	4	..	27	..	52
Pakistan	22	20	10	17	2	6	27	24	39	33
Sri Lanka	39	23	7	18	5	4	15	25	34	30

(a) Figures in italics are for 1961, not 1960
(b) Figures in italics are for 1978, not 1979
Source : World Bank: World Development Report, 1982, p. 128.

TABLE VI

Balance of Payments and Debt Service Ratios

Country	*Current account balances (millions of dollars)*		*Interest payments on external public debt (millions of dollars)*		*Debt service as Percentage of GNP*		*Export of goods and services*	
	1970	*1980*	*1970*	*1980*	*1970*	*1980*	*1970*	*1980*
Bangladesh	— 60	— 755	—	37	...	0.7	...	5.6
India	—394	—3,163	189	362	0.9	0.6	20.9	8.9
Nepal	...	—53	(.)	2	0.3	0.2	...	1.5
Pakistan	—667	—928	76	242	1.9	2.4	23.6	11.3
Sri Lanka	— 59	—664	12	32	2.2	2.0	10.3	6.0

Source : Figures have been compiled from Table 13, World Bank : World Development Report, 1982, p. 134.

TABLE VII

Structure of Production in South Asia

Country	GPD in dollars 1980	Distribution of GPD (per cent)							
		Agriculture		Industry		Manufacturing		Services	
		1960	1980	1960	1980	1960	1980	1960	1980
Bangladesh	11,140	58	54	7	13	5	7	35	33
India	142,010	50	37	20	26	14	8	30	37
Nepal	1,860	...	57	...	13	...	4	...	30
Pakistan	21,460	46	31	16	25	12	16	38	44
Sri Lanka	3,760	32	28	20	30	15	18	48	42

Source : World Bank : World Development Report, Compiled from Table 3.

TABLE VIII

Agricultural Production, 1981

(*Percentages*)

Country	*Agricultural Production*	*Agricultural production per capita*	*Cereals production*	*Food production*	
				Total	*Per capita*
Bangladesh	—2.5	—5.3	—2.6	—2.4	—5.2
Bhutan	2.3	—	1.9	2.3	—
India	6.3	5.0	6.8	7.1	5.9
Maldives	2.4	—	—	2.4	—
Nepal	0.0	—3.4	—0.8	0.9	—2.3
Pakistan	5.2	2.0	6.5	5.8	1.9
Sri Lanka	0.7	—0.8	—5.1	—	—2.0

Source: United Nations, Economic and Social Survey of Asia and the Pacific, 1982.

TABLE IX

Foodgrains Imports and Food Subsidies—1973-81

Country	1973	1974	1975	1976	1977	1978	1979	1980	1981
				Foodgrain Imports					
Bangladesh	2.82	1.67	2.29	1.49	0.78	1.65	1.15	2.24	1.20
India	3.59	5.16	7.53	6.91	0.47	—0.84	—0.94	—0.42	...
Pakistan	1.49	1.05	1.19	1.29	0.54	0.82	2.11	0.67	0.25
Sri Lanka	0.78	0.85	0.98	0.89	1.14	0.83	0.76	0.71	0.55
		Ratio of Foodgrains imports to domestic cereal production (%)							
Bangladesh	23	14	20	12	7	13	9	20	8
India	4.7	6.2	9.6	7.3	0.5	—	—	—	—
Pakistan	9.1	10.5	10.5	10.9	4.2	6.0	16.0	4.5	1.6
Sri Lanka	84	76	122	102	97	64	58	49	36
			Food Subsidies[e] indexes (1973 = 100)						
Bangladesh	100.0	123.0	117.0	128.5	97.1	135.4	122.5	211.2	139.6
India	100.0	117.3	99.4	201.2	190.8	226.6	238.6	258.4	258.4
Pakistan	100.0	237.6	278.5	167.7	120 8	179.9	337.1	354.0	207.0
Sri Lanka	100.0	135.8	175.5	133.8	203.1	308.4	403.8[f]	272.6[f]	247.5[f]
			Food Substitutes[e] as percentage of total revenue						
Bangladesh	27	24	16	11	7	8	6	9	5
India	3.6	3.6	2.4	4.4	3.7	3.7	4.3	3.6	3.5
Pakistan	11	15	19	8	5	6	9	7	4
Sri Lanka	17	20	24	16	21	18	22[f]	14[f]	11[f]

Notes: (a) Rice, wheat and wheat flour; (b) Rice and wheat, (c) whéat, rice, maize, jowar and bajra, (d) Domestic cereal production includes only rice, (e) including subsidies for non-grain basic items, (f) primary food stamp value.

Source: World Bank : Economic and Social Survey of Asia and the Pacific, 1982, p. 174.

TABLE X

Growth of Real GDP: 1975-1982

(Percentage)

Country	*1975-1979 average*	*1980*	*1981*	*1982[a]*
Bangladesh	5.1	2.8	6.1	0.1
India (b)	4.0	7.7	4.5—5.5	2.5—3.00
Nepal	3.0[c]	—5.2	3.3	4.1
Pakistsn	4.4	7.3	6.1	6.6
Sri Lanka	4.9	5.8	5.8	5.0

Notes : (a) Provisional, including secretariat estimates
(b) GNP
(c) 1976-1979

Source : Data has been compiled from Table 1.10 in United Nations : Economic and Social Survey of Asia and the Pacific, 1982, p. 17.

TABLE XI

Sectoral Contribution to GDP

(Latest year available)

Country	*Agriculture* %	*Industry* %	*Services* %
Bangladesh—1980-81	45-50	30	20
India—1980-81	35	25	40
Nepal—1980-81	60-65	10-15	20
Pakistan—1981-82	30	40	30
Sri Lanka—1982	20-25	30-35	40

Source : United Nations: Economic and Social Survey of Asia and the Pacific, 1 1982, p. 19

TABLE XII

Key Agricultural Growth Rates, 1975-1980[a]

(a) Food, (b) Non-food, (c) Livestock production

Country	*Compound rate*	*1975*	*1976*	*1977*	*1978*	*1979*	*1980[b]*
Bangladesh	(a) 2.1	11.2	—5.5	7.8	2.7	1.8	4.3
	(b) 4.0	2.6	10.1	18.4	12.6	—	—17.2
	(c) 7.3	1.0	5.0	1.9	26.2	3.7	1.4
India	(a) 1.6	14.1	—2.7	9.1	3.3	—7.3	6.1
	(b) 3.3	—6.9	—0.9	8.4	11.2	—3.9	2.4
	(c) 1.1	1.9	1.8	1.8	0.9	—	0.9
Nepal	(a) 1.1	2.8	—0.9	—4.5	3.8	3.7	3.5
	(b) 2.8	6.6	4.9	15.3	2.0	—9.0	2.2
	(c) 1.4	1.8	1.8	1.8	0.9	1.7	0.8
Pakistan	(a) 3.7	1.8	5.2	5.0	0.8	3.9	3.8
	(b) 5.8	—14.8	—17.4	29.6	—9.8	39.8	—1.7
	(c) 2.6	3.5	3.4	2.5	2.4	2.3	2.3
Sri Lanka	(a) 3.5	3.5	5.1	2.4	7.9	—1.5	3.7
	(b) 0.2	—	—3.3	2.2	—	4.4	—2.1
	(c) 2.2	3.0	4.9	3.7	—1.8	0.9	3.6

Source: Table has been compiled from UN Economic and Social Survey of Asia and the Pacific, 1980, Table 12, p. 26.

[a]From Production indexes, 1969-71=100.

[b]Preliminary estimates.

TABLE XIII
Real Sectoral Growth Rates, 1980-82[a]

Country	Agriculture	Mining and quarrying	Manu-facturing	Electricity gas and water	Construc-tion	Trans-port	Trade	Finance
Bangladesh—1981	8.1	—	8.9	6.4	5.4	1.6	5.0	18.1
—1982	—1.5	—	3.0	14.3	3.8	—1.0	1.3	—
India —1980	12.5	3.3	2.8	58.2	—0.8	5.8	5.0	1.8
Maldives —1980	15.1 (10.3[b])	17.2	8.5	—6.9	13.4	24.5	28.3	—
—1981	—0.4 (—4.1[b])	34.4	10.3	123.9	34.5	22.4	10.2	—
Nepal —1981	3.5	—	24.0	—	—	—	—	—
Pakistan —1981	4.0	13.2	9.9	10.9	4.2	8.3	6.7	—0.8
—1982	4.0	4.9	12.1	11.0	13.4	6.4	7.7	4.4
Sri Lanka —1980	3.1	4.9	0.8	10.0	11.0	7.1	8.4	14.9
—1981	6.9	4.2	5.2	12.0	—3.0	6.5	4.8	14.9
—1982	2.2	4.1	9.1	9.8	—2.0	6.2	5.3	8.0

[a]excluding public administration, defence and tourism, ownership of dwellings and certain other services
[b]Fisheries sub-sector.
Source: United Nations, Economic and Social Survey of Asia and the Pacific, 1982, p. 18.

TABLE XIV

Growth in Real Gross Product, 1977-1980

Country	*Annual percentage change in constant price GDP*			
	1977	*1978*	*1979*	*1980*[p]
Bangladesh[a]	1.7	8.1	4.0	6.1
India[b]	7.7	4.9	—2.9	6.0[d]
Nepal[e]	3.0	1.5	3.7	—1.4
Pakistan[a]	2.5	7.0	5.9	6.2
Sri Lanka[f]	4.3	8.2	6.2	5.6

Source: The figures for this table were compiled from UN Economic and Social Survey of Asia and the Pacific, 1980, p. 11.

National Sources:

[a]FY ending June
[b]FY beginning April
[d]Unofficial estimate
[e]FY ending July 15.
[f]G.N.P.
[p]Preliminary

TABLE XV

Labour Force

Percentage of population of working age

Country	*15-64 years*		*Agriculture*		*Industry*		*Services*		*Average annual growth labour force %*		
	1960	*1980*	*1960*	*1980*	*1960*	*1980*	*1960*	*1980*	*1960-70*	*1970-80*	*1980-200*
Bangladesh	53	55	87	74	3	11	10	15	2.1	2.4	2.7
Bhutan	56	55	95	93	2	2	3	5	1.7	2.0	1.9
India	55	57	74	69	11	13	15	18	1.5	1.7	2.0
Nepal	57	55	95	93	2	2	3	5	1.5	2.0	2.1
Pakistan	52	51	61	57	18	20	21	23	1.9	2.5	2.9
Sri Lanka	54	60	56	54	14	14	30	32	2.1	2.1	2.1

Source: World Bank: World Development Report, 1982, p. 146.

TABLE XVI

Structure of Commercial Energy : Countries

Country	*Average Annual Growth Rate (%)*				*Energy Consumption per capita (kilograms of coal equivalent*		*Energy Imports as a percentage of merchandise exports*	
	Energy Production		*Energy Consumption*					
	1960-74	*1974-79*	*1960-74*	*1974-79*	*1960*	*1979*	*1960*	*1979*
Bangladesh	...	10.1	...	6.6	...	40	...	27
Bhutan	...	...	...	...	...	...	...	...
India	4.9	5.4	5.0	5.0	111	194	11	32
Maldives	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Nepal	26.8	4.6	12.6	2.4	4	13	...	24
Pakistan	9.4	6.6	5.3	4.4	132	209	17[a]	34
Sri Lanka	10.1	8.2	3.8	3.8	110	135	8	26

[a]Figures are for 1961, not 1960.

Source: World Bank, World Development Report 1982, Table 7, p. 122.

*POST SCRIPT**

The Ministerial Meeting

The first Ministerial meeting of the seven South Asian countries to launch the South Asian Regional Co-operation (SARC) was preceded by notable developments in bilateral relations in the region. The Indo-Pak Joint Commission established a couple of months earlier held its first meeting in Islamabad on June 1, 1983. The meeting decided to set up four subcommissions namely on (i) economic matters, communication, health, science and technology; (ii) trade; (iii) information, education, culture, sports, and social sciences; and (iv) travel, tourism and consular matters. It was agreed to relax travel restrictions, promote greater communication and group tourism and facilitate visits of academics, professional groups and businessmen. No progress was however made on important matters like trade, consular relations and major political issues. The Commission meeting in general contributed towards the improvement of overall atmosphere for advancing the normalization process between the two countries.

Similarly, the bilateral talks between India and Bangladesh held in Dhaka brought the two countries further closer on having understanding on the outstanding issues like the allocation of Teesta waters and maintaining stable border. The two sides also agreed to discuss at the next round of talks scheduled for October, the alternative proposals on the question of augmentation of Ganga waters i.e. India's proposal for Brahm-

*This book was expected to be released on the eve of the Meeting of Seven South Asian Foreign Ministers held in New Delhi on 1-2 August 1983 to politically launch the South Asian Regional Cooperation. Delay in the publication of the book, therefore, necessitated a brief account of the Ministerial meeting.

putra Link Canal and Bangladesh's proposal for building storage tanks in Nepal.

As against these two harmonious developments, the outbreak of race-riots in Srilanka in early July 1983 in which widespread attacks were launched by the Sinhalese on Tamils (of Srilanka as well as Indian origin) threatened to vitiate the atmosphere for the Ministerial meeting. The attacks on Indian Tamils and on Indian nationals including members of the diplomatic mission gave rise to the expressions of concern and protests from India. The government and press of Srilanka on the other hand accused India of interference and aggressive designs on the Island. The situation was, however, arrested from further deterioration by a two-day visit of the Indian Foreign Minister P.V. Narasimha Rao to Srilanka in the last week of July 1983. There, besides other things, he persuaded his Srilankan counterpart, A.C.S. Hameed to attend the New Delhi SARC meeting of Foreign Ministers so that the SARC was not adversely affected by the internal developments in Srilanka.

The preparations for the Foreign Ministers meeting were finalized by a two-day meeting of the Foreign Secretaries on 28 and 29 July. This meeting gave final touches to the drafts for a Declaration and the Joint Communique to be considered and finalized by the Ministers. The question of further expanding the areas of co-operation so as to include items such as Trade, Industrialization, Tourism etc. was considered but no agreement could be reached. There was, however, consensus on taking up 'energy' as a separate area of activity which had hitherto been covered under the subject of science and technology. The foreign secretaries decided to leave the questions of regularity of the Ministerial meeting and holding of the Summit level meeting to be decided by the Ministers. An important aspect of the foreign secretaries deliberations was the financial commitments of the SARC members made voluntarily towards the cost of implementing programmes and activities for 1983-84. Some of these commitments were as follows:

India	Rupees 50 lakhs
Pakistan	Rupees 36 lakhs
Bangladesh	Rupees 20 lakhs
Nepal	Rupees 15 lakhs
Maldives	Rupees 84 thousands

The meeting of the Foreign Ministers was inaugurated by India's Prime Minister Mrs. Indira Gandhi. Describing this meeting, she said: "At a political level, this is an important step in the development of mutual relations in our region" (Annexure PS-1). There was clear emphasis on political aspects of the intra-regional relations in South Asia in her inaugural address. While recognising every country's freedom "to choose and follow its own form of government", she underlined the fact that developments in one country affect the other. Referring indirectly to the developments in Srilanka, Mrs. Gandhi said: "Even as we meet, there are disturbing and tragic developments in our neighbourhood".

Mrs. Gandhi laid stress on the significance of non-alignment and asked for avoidance of "confrontation". Reiterating India's policy of non-interference in the affairs of others she called upon all the neighbours to "resolve whatever differences there might be through discussion and in a spirit of goodwill". While doing so "we should be ever vigilant against the attempts of external powers to influence our functioning". This would "eliminate tensions and promote greater peace and stability in our region". All this indicated that in India's perception the long term objectives of the SARC were much broader than the achievement of collective self-reliance in economic matters. Earlier in the foreign secretaries meeting, India's foreign secretary Rasgotra held that strengthening of economic ties was a precursor to co-operation and joint action in other walks of life.[1] Mrs. Gandhi in her inaugural address while emphasizing issues of peace, stability and development went even further when she said:

> Beyond the tangible co-operation to which I have referred above is a desirable framework of people to people relationship. Even if we proceed step by small step, the only lasting co-operation is that which involves all sections of the peoples and gives them a sense of participation.

This, in a way, indicated India's preference for representative and participatory political systems in the subcontinent. One wonders if such indications were welcomed by the representatives of those neighbouring countries where popular participa-

tion in vital decision making tiers is far from being a reality.

As we have noted earlier in the study, the Ministerial meeting was expected to endorse and put a seal of political authority on the work done by the foreign secretaries in their four meetings since April 1981. This was done by the Foreign Ministers through the adoption of a "Declaration on South Asian Regional Co-operation". The Declaration had a Preamble followed by three sections. In the Preamble, regional co-operation move was described as "beneficial, desirable and necessary". It was hoped that while promoting socio-economic development and collective self-reliance, the SARC would also contribute towards "friendship, amity and understanding among their peoples" and "mutual trust, understanding and sympathetic appreciation of the national aspirations of the countries of the region".

The three sections of the Declaration respectively defined the Objectives and Principles, Institutional Arrangements and Financial Arrangements. The objectives were defined broadly enough to go beyond the goals of economic growth and socio-cultural developments. In this respect, attention may be drawn to (d) and (g) paras of the Objective (Text of Declaration Annexure PS-2). The co-operation was to be based upon the five principles of "sovereign equality, territorial integrity, political independence, non-interference in internal affairs of other States and mutual benefit". The SARC was envisaged as being complementary to and not a substitute for "bilateral and multilateral co-operation".

Under the sections dealing with the Institutional and Financial Arrangements, the Foreign Ministers ratified the decisions arrived at by the foreign secretaries at the Dhaka meeting. The composition and terms of reference of the Technical Committee, Action Committee (both at the officials/experts level) and the Standing Committee (of foreign secretaries) were defined under the section on Institutional Arrangements. There was, however, no reference to the Ministerial meeting or the Summit-level meeting in the Declaration. But the Joint Communique (Annexure PS-3) issued at the end of the Foreign Ministers' meeting said that:

> The Foreign Ministers agreed to meet once a year to review the progress of South Asian Regional Co-operation. They

also decided to recommend to their respective Heads of State/Government that they may meet at their level and agreed that the date of the Summit would be finalised at the next meeting of Foreign Ministers (para 8).

This discrepancy between the Declaration and the Joint Communique on the holding of Ministerial meetings and the Summit meeting had arisen because the Declaration had to be finalized in a bit of hurry on the first day of the Ministerial meeting itself as Srilanka's Foreign Minister had to rush back home the same day in view of the then prevailing domestic conflict between the Sinhalese and the Tamils. Pakistan was opposed to the idea of regular Ministerial meetings as also the Summit meeting. India too was not very enthusiastic about it since it thought there would not be enough agenda of substantive issues for the Ministers to deliberate upon. However, Bangladesh and others persisted on the second day also as a result of which India gave up its reservations and Pakistan too was brought round the majority view. Since Srilanka was already committed to a regular Ministerial meeting and the Summit meeting, its minister Hameed's absence did not create any hurdle and the agreement on these issues was incorporated into the Joint Communique. The Declaration reiterated the principle of unanimity and exclusion of the "bilateral and contentious issues" in the deliberations at all levels of decision-making in the SARC.

With regard to the Financial Arrangements, the importance of mobilising regional resources on the basis of voluntary contributions was emphasized in the Declaration. Recourse to "external assistance from appropriate sources" was accepted but only with the approval of the Standing Committee and in case of such "projects and programmes for which sufficient financial resources cannot be mobilised within the region"[1]. As for the sources of external assistance, in addition to the offers made by the EEC and the International Telecommunication Centre about which a mention has been made earlier, Japan and Canada were also showing keen interest. Various UN Agencies may also be willing to help as evident from the UN Secretary General's message of welcome to the SARC Ministerial meeting in which he said: "We stand ready to lend you all possible assistance in your regional efforts".[2] The EEC

in addition to its earlier commitment has again offered more assistance to set up power projects under the SARC programmes.[3]

We have mentioned earlier in the study that external assistance may become a channel of political and other influences of the donor countries and groups on the SARC. This is perhaps the reason why India is particularly averse to the inflow of external assistance. The other neighbours on their part may view the external assistance as a means to balance India's dominance in the SARC. The idea of regional resources on voluntary basis may work so long as the stipulated projects and programmes are modest and do not involve heavy costs. But if and when the SARC activities grow and big projects are undertaken, the question of external assistance will assume critical significance. Then India, itself an aid hungry country, may not be in a position to commit higher allocations towards the SARC programmes even if to keep external influenes out.

The Ministerial meeting did not break any fresh ground as it followed the expected course. No new area was added for co-operation as in this respect, Pakistan's reservations for trade, industrial ventures and tourism continued to be strong and persistent. As has already been noted in the study earlier, Pakistan wants to go slowly and cautiously in pushing forward the SARC because for it, the SARC in the ultimate analysis means greater cooperation and involvement, if not integration, with India which does not serve its immediate domestic and foreign policy objectives. India too is not enthusiastic in enhancing the modest pace of regional co-operation lest it complicates its thrust on bilateralism, invokes suspicions of smaller neighbours and forces it to accommodate Pakistan beyond a point in bilateral relationship. The major achievement of the Ministerial meeting, therefore, was that it was held and will be held annually. The decision on holding the Summit was inched forward but the formulation on this point in the Joint Communique clearly shows that at the earliest the Summit would take place only in 1985.

There was nothing in the Ministerial meeting that may prompt us to revise our assessment of the prospects of the SARC. One aspect of the South Asian affairs, however, needs reiteration. It has been mentioned earlier that internal stability

of the South Asian countries is a key factor in the development of the SARC (p. 68). This was highlighted by the developments in Srilanka (attack on Tamils by the Sinhalese) before and during, and Pakistan (agitation launched by the Movement for Restoration of Democracy against Zia regime since 14 August 1983), after the Ministerial meeting. India's expressed concern on these developments, (within the framework of what Mrs. Gandhi said in her inaugural address that "It would be idle to pretend that we are not affected by what happens elsewhere"), and expected strong reactions to such concern from Srilanka and Pakistan show that social disharmony in any South Asian country is capable of vitiating intra-regional relations. This may eventually harm the SARC movement.

In view of the socio-cultural and ethnic contiguities in South Asia, internal developments in one country affect the other, particularly with regard to India with which such contiguities exist. The intra-regional discord on such issues arises from the fact of divergence in the approaches to socio-cultural development between India on the one hand and other neighbours on the other. In India, the approach to resolving the problem of cultural, communal and regional alienation and disharmony has been pursued within the framework of secular, democratic and federal structure of political decision-making. The ideals of this framework have often not been adhered to in practice owing to various constraints and, therefore, success has only been partial. And yet it is because of this framework that India has been able to contain such problems, the Assam and the Punjab agitations being the recent examples.

The neighbouring countries on the other hand adopted varying intensities of sectarian, autocratic (with the exception of Srilanka and Maldives) and unitary political systems that have resulted into growing alienation of minorities (Tamils in Srilanka, Hindus in Pakistan and Bangladesh) and neglected regions (Terai in Nepal, Sindh in Pakistan etc.) lending to political turmoil and secessionist movements. This divergence in the approaches to nation-building processes in South Asia, like the divergence in strategic perspectives and strategies of economic development strengthens the constraints that the SARC will have to overcome in order to make real progress. One wonders if the SARC would enable the member countries

to learn from each other by sharing positive experiences of social engineering.

NOTES

[1]*Tribune*, 28 July 1983.

[2]*Business Standard*, 3 August 1983.

[3]Dr. Hanna Waltz, Chairman of the Committee on Energy of the Commission of the European Communities for South Asia disclosed this in New Delhi on 20 September, *Times of India*, 21 September 1983.

ANNEXURE–PS 1

Inaugural Address of Smt. Indira Gandhi, Prime Minister of India, to the Meeting of South Asian Foreign Ministers, New Delhi, August 1, 1983

Excellencies, Distinguished Guests,

I welcome you and have pleasure in inaugurating this meeting of South Asian Foreign Ministers. At a political level, this is an important step in the development of mutual relations in our region.

We seven, who are gathered here, are close geographical neighbours. The same monsoon governs our lives. We share experiences, aspirations, challenges. Our region is the cradle of one of the earliest human civilizations. In more recent centuries we have suffered from the political and economic consequences of colonialism. The very process of liberating our people from external rule has renewed awareness of one another's needs and potentialities. Today our major task is to overcome economic backwardness. As members of the Non-Aligned Movement, we seek peace with development among ourselves and in the world as a whole.

Although there are similarities, we are different. Each country has its individual personality, distinctive perception and a different political system. Subscribing to non-alignment, we respect the right of every country to choose and follow its own form of government without interference from others. At the same time, we recognise the duty to resolve whatever differences there might be through discussion and in a spirit of goodwill.

India is big in size and that means that the proportion of our problems and difficulties is also gigantic. We don't want to

take on more problems. Our policy is not to interfere in the affairs of others. But ours is a troubled region. Most of our countries are multi-racial and multi-religious. It would be idle to pretend that we are not affected by what happens elsewhere. Even as we meet, there are disturbing and tragic developments in our neighbourhood.

We have always believed in cooperation and, as world events unfold, we find that cooperation in solving problems is becoming more vital and necessary to each of us and, I believe, to our region.

The world can survive and progress only with a strong sense of the unity of humankind, and tolerance of the right to political diversity. Within this framework we seven must conduct our affairs so as to eliminate tension and promote greater peace and stability in our region. "The regional grouping that brings us together is not aimed against anyone else. Nor are we moved by any ideological or military considerations. Our cooperation in no way limits each country's freedom of judgement. It is allied solely to development and to the strengthening of the economies of our individual countries. Our hope is to work together and to share our experiences in agriculture, rural development, telecommunications, meteorology, health, technology, culture, art and sport."

The past has shown how brittle is the cooperation which is based on narrowness of any type. Beyond the tangible cooperation to which I have referred above is a desirable framework of a people to people relationship. Even if we proceed step by small step, the only lasting cooperation is that which involves all sections of the peoples and gives them a sense of participation.

In our effort to build a better future for our people, we face very similar problems and obstacles. We are all bedevilled by shortages of production and employment, undernutrition and a too rapid growth of population. Yet there are natural and human resources waiting to be developed and utilised to their fullest potential. There are complementarities between our economies. With better planning and greater exchange of information, we could make the optimum use of our capacities.

Confrontation is dangerous and unprofitable. All the historical, technological and economic forces and factors at work in

the world demand cooperation. The threat of nuclear war must be averted. Its consequences are too horrendous to contemplate. We have always spoken out of violence and destruction. These must be curbed. Simultaneously the world must do something to shake free from the grip of the economic crisis which hurts all countries, rich and poor, big and small. But the worst sufferers, as each of us knows, are the developing countries. The recent Conference of Non-Aligned Countries here in this city made some constructive suggestions. We are trying to make the industrialised countries recognise the reasonableness of our proposals and the moderation with which we have expressed ourselves.

The more recently concluded session of UNCTAD in Belgrade was an opportunity for some concrete, if not bold and imaginative, steps to initiate the process of restructuring international economic relations and to start an earnest North-South dialogue. The opportunity was allowed to slip by. Some statements have been made recognising the interrelationship between growth in developing countries and economic revival in the advanced. Alas, there is still no sign of this sentiment being translated into positive action.

We do not look for magic deliverance. The only sure road to prosperity is to mobilize our peoples to work. Enduring solutions call for the strengthening of our own economies towards self-reliance. This does not preclude international cooperation. The two are mutually supportive. Hence, along with a North-South dialogue, we urge greater cooperation among developing countries. South-South cooperation is an integral part of the New International Economic Order we envisage. The Non-Aligned Summit suggested that we draw up a comprehensive blueprint for cooperation and collective self-reliance among developing countries, taking into account their needs and resources, their exigencies and capabilities.

Experience in other parts of the world has shown that sub-regional and regional cooperation is an important factor in bringing about economic and social progress. The countries of South Asia have been rather slow in realising this. I am glad we are making a beginning. We have had our political differences in the past or have even now, but economic cooperation will give a strong impetus to closer friendship and greater stability in

South Asia. I hope that this meeting of Ministers will push forward this programme. In this forum, we should avoid bilateral differences and aim at concentrating on what unites us and helps us in our common quest of peace and development. We are all equals. We are against exploitation and domination. We want to be friends with all on a footing of equality. We should be ever vigilant against the attempts of external powers to influence our functioning.

There are many regional organisations, some fully developed, some still at a tentative stage. Even fully developed groupings like the European Economic Community have not been able to sort out their problems merely by a common regional personality. Let us not be disheartened if we have some difficulties and differences to contend with. We are at the beginning of what promises to be a useful journey.

As regional cooperation progresses, new tasks will unfold themselves, bringing in new problems. Let us not be daunted. Our very cooperation will increase our capacity to withstand pressures. With unity we can hope to move ahead to a future of freedom, peace and prosperity.

I declare the Meeting open and give my good wishes for your work.

ANNEXURE—PS 2

Declaration on South Asian Regional Cooperation

The Foreign Ministers of Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka,

Conscious of the common problems and aspirations of the peoples of South Asia and the need to accelerate their economic and social development through regional cooperation;

Convinced that regional cooperation in South Asia is beneficial, desirable and necessary and that it will help promote the welfare and improve the quality of life of the people of the region;

Convinced further that increased cooperation, contacts and exchanges among the countries of the region will contribute to the promotion of friendship, amity and understandingamong their peoples;

Recognising that each country of the region has an effective contribution to make to the promotion of collective self-reliance;

Noting that regional cooperation should be based on and in turn contribute to mutual trust, understanding and sympathetic appreciation of the national aspirations of the countries of the region;

Mindful of the Declaration on Collective Self-reliance among non-aligned and other developing countries adopted at the Seventh Non-aligned Summit held at New Delhi which called upon all countries concerned to mobilise all necessary resources and deploy the requisite means in support of sub-regional, regional and inter-regional cooperation among non-aligned and other developing countries;

Affirming the determination of their respective governments to make joint efforts for promoting such cooperation;

DO HEREBY DECLARE the collective resolve of their governments to pursue actively South Asian Regional Cooperation with the following objectives, principles, institutional and financial arrangements and to launch an Integrated Programme of Action;

AND TO THIS END have agreed as follows:

I. OBJECTIVES AND PRINCIPLES

A. OBJECTIVES

1. The objectives of South Asian Regional Cooperation shall be:

(a) to promote the welfare of the peoples of South Asia and to improve their quality of life;

(b) to accelerate economic growth, social progress and cultural development in the region and to provide all individuals the opportunity to live in dignity and to realise their full potential;

(c) to promote and strengthen collective self-reliance among the countries of South Asia;

(d) to contribute to mutual trust, understanding and appreciation of one another's problems;

(e) to promote active collaboration and mutual assistance in the economic, social, cultural, technical and scientific fields;

(f) to strengthen cooperation with other developing countries;

(g) to strengthen cooperation among themselves in international forums on matters of common interest; and

(h) to cooperate with international and regional organisations with similar aims and purposes.

B. PRINCIPLES

2. Such cooperation shall be based on respect for the principles of sovereign equality, territorial integrity, political independence, non-interference in internal affairs of other States and mutual benefit.

3. Such cooperation shall not be a substitute for bilateral and multilateral cooperation but shall complement them.

4. Such cooperation shall not be inconsistent with bilateral and multilateral obligations.

II. INSTITUTIONAL ARRANGEMENTS

A. TECHNICAL COMMITTEE

5. A Technical Committee, open to participation of all countries of the region, shall be responsible for the implementation, coordination and monitoring of the programmes in each area of cooperation, with the following terms of reference:

(a) determination of the potential and the scope of regional cooperation in agreed areas;

(b) formulation of programmes of action and preparation of projects;

(c) determination of financial implications of the sectoral Programme of Action;

(d) formulation of recommendations regarding the apportionment of costs;

(e) implementation and coordination of sectoral Programmes of Action; and

(f) monitoring of progress of implementation.

6. The Technical Committees shall submit periodic reports to the Standing Committee.

7. The Chairmanship of the Technical Committees shall rotate among the countries of the region in alphabetical order, every two years.

8. The Technical Committees may, inter alia, use the following mechanisms and modalities, if and when considered necessary:

(a) Meetings of Heads of National Technical Agencies;

(b) Meetings of experts in specific fields;

(c) Contacts amongst recognised centres of excellence in the region. These centres may be reinforced and extended as considered feasible and desirable for the optimal use of the resources of the region for meeting the requirements of the cooperation programme.

B. ACTION COMMITTEE

9. In the case of projects involving more than two countries but not all the countries of the region, Action Committees comprising the countries concerned may be set up for their implementation, with the prior approval of the Standing Committee.

C. STANDING COMMITTEE

10. A Standing Committee shall be established at the level of Foreign Secretaries for the coordination and monitoring of South Asian Regional Cooperation with the following terms of reference:

(a) approval of projects and programmes, and the modalities of their financing;

(b) determination of inter-sectoral priorities and overall coordination of Programmes of Action;

(c) mobilisation of regional and external resources; and

(d) identification of new areas of cooperation based on appropriate studies.

11. The Standing Committee shall meet as often as is deemed necessary but at least once a year.

12. The Standing Committee shall make a reference, as and when necessary, to the Foreign Ministers for decisions on policy guidelines, both in respect of the approval of projects/programmes as well as the authorisation of modalities for financing. The Standing Committee shall provide necessary support services for meeting of Ministers.

D. GENERAL PROVISIONS

13. Decisions at all levels shall be taken on the basis of unanimity.

14. Bilateral and contentious issues shall be excluded from the deliberations.

III. FINANCIAL ARRANGEMENTS

15. The participation of each country in the financial costs

of the programmes of cooperation shall be voluntary.

16. Each Technical Committee shall make recommendations for the apportionment of the costs for implementing the programmes proposed by it, taking into account inter-alia the following guidelines:

(a) Except to the extent otherwise agreed, the cost of travel and subsistence for participants in seminars, workshops and training and other programmes shall be met by their respective governments and the costs of organising seminars, workshops and training and other programmes may be met by the host country or apportioned among participants in proportion to the facilities availed of or financed from external sources;

(b) Except to the extent otherwise agreed, the cost of subsistence for experts shall be met by the receiving countries and the cost of travel and/or salary of the experts may be paid for by the sending countries, or shared among participating countries or financed from external sources;

(c) Other costs, including the cost of preparation of studies, shall be shared on a mutually agreed basis; and

(d) In the case of long term projects, the Technical Committee concerned shall estimate the costs involved and shall submit recommendations of it to the Standing Committee on the modalities for meeting the costs.

17. In the case of projects and programmes for which sufficient financial resources cannot be mobilised within the region, recourse may be had to external assistance from appropriate sources, with the approval of the Standing Committee.

DONE in New Delhi on the Second Day of August in the year Nineteen Hundred and Eighty-three.

ANNEXURE-PS 3

Joint Communique

In pursuance of the recommendations of the Fourth Meeting of Foreign Secretaries held in Dhaka in March 1983, a Meeting of Foreign Ministers of Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka was held in New Delhi on August 1-2, 1983 preceded by a Preparatory Meeting of Foreign Secretaries of these countries at the invitation of the Government of India.

2. The Meeting of Foreign Ministers was inaugurated by Shrimati Indira Gandhi, Prime Minister of India. In her inaugural address she described the Meeting of Foreign Ministers as an important step at a political level in the development of mutual relations in South Asia. She expressed the hope that cooperation among the seven countries would increase their capacity to withstand pressures, enable them to move ahead to a future of freedom, peace and prosperity and give a strong impetus to closer friendship and greater stability in the region.

3. On behalf of the Foreign Ministers, this Excellency Mr. A.R. Shams-ud-Doha, thanked Shrimati Indira Gandhi for her inspiring address. It was decided that text of the address should form part of the final records of the Meeting.

4. Shri P.V. Narasimha Rao, Minister of External Affairs of India was elected as Chairman by acclamation.

5. The Meeting expressed its appreciation for the valuable contributions made by the Meetings of Foreign Secretaries held in Colombo (April 21-39, 1981), Kathmandu (November 2-4, 1981), Islamabad (August 7-9, 1982), Dhaka (March 28-30, 1983) and New Delhi (July 28-29, 1983).

6. At the conclusion of their Meeting, the Foreign Ministers signed the Declaration on South Asian Regional Cooperation setting out the objectives and principles of such

cooperation and incorporating provisions regarding institutional and financial arrangements. They expressed their confidence that the adoption of this Declaration would promote the welfare of the peoples of South Asia, improve their quality of life and strengthen collective self-reliance among the countries of the region.

7. The Meeting noted that considerable work had been done at the technical level to identify possible areas of cooperation and prepare specific programmes in agreed areas. It also noted that the Committee of the Whole at its meeting held at Colombo and the Foreign Secretaries in their meetings held at Dhaka and New Delhi had drawn up an Integrated Programme of Action based on the work done at the technical level. The Meeting considered the recommendations of the Foreign Secretaries and decided to launch the Integrated Programme of Action for South Asian Regional Cooperation, as recommended by them in the areas of Agriculture, Rural Development, Meteorology, Telecommunication, Scientific and Technological Cooperation, Health and Population Activities, Transport, Postal Services and Sports, Arts and Culture. The Meeting reaffirmed that it would be beneficial to continue cooperation among the National Planning Organisations and academic institutions of countries of the region.

8. The Foreign Ministers agreed to meet once a year to review the progress of South Asian Regional Cooperation. Theyalso decided to recommend to their respective Heads of State Government that they meet at their level and agreed that the date of the Summit would be finalised at the next Meeting of Foreign Ministers.

9. The visiting Foreign Ministers expressed their deep appreciation to the Government of the Republic of India for the excellent arrangements made for the meeting and the cordial and generous hospitality extended to their delegations.

New Delhi
August 2, 1983

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Index

'Action Committees' 87, 160
Adtion Programme for Cooperation 135, 155
Adamjee 69
Afhganistan 31, 33, 53, 60
Africa 4
Afro-Asian Conference 11
Agricultural/Rural Sector 144
Areas of Cooperation 114, 121, 127, 128, 137, 139, 140, 149, 154, 160
Arming of Pakistan by the U.S. 15, 33 57
'Asia for the Asians' 10
Asian Coconut Community 18
Asian Common Market 26
Asian Philosophical Base 92
Asian regionalism 10, 12, 13, 15
Asian Relations Conference 11, 12, 15, 92
Asian Relations Organisation 12
Association for South East Asia (ASA) 6, 17
Association of South East Asian Nations 6, 17, 26, 31, 32, 42, 58, 63, 71, 72, 99, 125
Awami League 28

Baguio Conference 15
Balance of payments 143
Bandaranaike, Mrs. 15, 22
Bandung Conference 13-15, 92
Bangladesh 31, 32, 35, 52, 68, 182, 186
Bangladesh draft paper 32, 34, 35, 36, 45, 50, 71, 78, 80, 108, 109, 125, 137, 139, 154
Bangladesh, emergence of 20, 57, 163
'Beneficial bilateralism' 27
Bhutan 31, 70
Bhutto, Z.A. 21, 22
Bilateral agreements 147
Bilateral and multilateral cooperation 78, 108, 109, 123
Bilateralism 56, 57
Birendra, King 26, 30
Brain-drain 109
Brandt Commission 68
Brezezinski, Zbigniew 33

Callaghan, British Prime Minister 26, 62
Cancan Summit 114
Carter, U.S. President 26, 33, 62
CENTO 6, 17
China 61-63
Christopher, Warren 33, 62
Colombo Conference (1950 & 1954) 14, 36-38, 40, 56, 58, 67, 77, 107, 124 128, 147
Colombo Plan 6, 14, 16, 26, 92, 108
Colombo Powers Conference 11-14, 16
Colonialism 44, 102
COMECON 3, 5
Committee for the possible coopetion 154
Committee of Foreign Secretaries 121
Committees of the Whole 36, 41 45, 79. 80, 82, 85-88, 91, 104, 105, 112-114, 120, 121, 129,

137, 138, 151, 153, 155, 156, 157, 163
Communism 16
Common Fund 39
Common Market 101
Comprehensive programme of Action for Cooperation 104
Conference of Non-aligned countries 192
Congress for Peace 10
Cooperative arrangements 140
Cost-effective educational services 147
Council of Foreign Ministers 126
Cultural and Scientific Cooperation 109, 147, 149, 152

Dawn 34
Desai, Morarji 22, 30
Declaration on South Asian Regional Cooperation 185, 186, 194 ff. 199, 200
Dhaka meeting 67, 109, 119
Dhaka talks 182
Dinesh, Singh 17

East-West Cold War 6
ECAFE 17, 21
ECDC 145, 151
Economic cooperation 132, 142
Economic regionalism 7
Educational and Technical Cooperation 146
EEC (European Economic Community) 35, 29, 63, 89, 125, 193
Energy 51, 146
Ershed, Lt. Gen. H.M. 61, 68, 90
ESCAP 108, 124, 151
Europe 2, 3
European regionalism 4
European community 99
Export Market 145, 150
External assistance 122, 186, 187

FAO 124
Farakha water sharing agreement 27
Federation of Indian Export Organisation (FIEO) 46, 55
Financing arrangements 121, 160, 162, 163, 197, 198
First generation of regionalism 6, 17, 61
Food production 50
Foreign Secretaries meeting 183, 199
Free-trade Areas 101

Gandhi, Mrs. Indira 17, 21, 22, 30, 31, 68, 183, 188, 190, 199
GATT 145

Haksar P.N. 3
Hameed A.C.S. 77, 91, 124, 183
Haque Inamul 131
Hydro-power 49

Immediate Action Programme 82
Impediments 54, 55, 68
Indian National Congress 10, 11
Indian Ocean 18, 19, 60
Indian Paper 154
Indo Centric nature of South Asia 55, 56
Indo-Iranian cooperation 20
Indo-Pak Commission 182
Indo-Pakistan interaction 60
Indo-Pakistan relation 20, 21, 69
Indo-Soviet Treaty of Peace and Friendship 19
Industrialisation 49 51
Infrastructural groups 109
Institute of South Asian Studies 123
Integrated Programme of Action 37-39, 55, 88, 89, 105, 156-57, 200
Integration theory 4
International coopernational 95
International development strategy 115
International Economic matters 117
International Economic relations 132
International Monetary system 109

International Tele Communication Union 39, 89
Inter-State conflicts 60
Intra-regional trade 45, 46, 49, 57
Irrigation 49, 50
Islamabad meeting 84, 86, 97, 115 123, 131, 133, 155
ITU 163

Janata Govt of India 27, 68
Janata Party 22, 27, 31, 68
Jayasinghe, WT 80, 81, 84
Jayawardene, JR 22 26, 31, 92
Joint communique 138, 185-86, 199
Joint ventures 27, 149, 101, 130, 145

Kachchativu 20
Kampuchea 31, 60
Karion AHS Ataul 87
Kathmandu meeting 36, 37, 80, 112, 127
Khudremukh Iron Ore Project 21
Kosygin, Soviet Premier 18
Kotelawala, John 14, 15

Latin America 5
Law of the Sea Conference 50
Long term programmes 82

Maldives 70
Manifesto of the Asiatic Delegation 10
Market promotion 45
Marshal Plan for Europe 6
Meeting at technical level 11, 156, 160
Menon, Krishna 12
Meteorology 143
Military alliances 16
Military groupings 6
Ministernal level meeting 85-89, 105, 123, 130, 182 ff.
Mount Everest 130, 131
Movement for Restoration of Democracy in Pakistan 188
Multinational corporations 49, 59
Muslim League 11

Naik, Niaz A 81, 87, 131
National Planning Organisations 83, 86, 89, 122, 200
Nationalism 4
Natural resources 49
National technical agencies 159
NATO 3, 5
Nehru (J.L.) 10, 11, 12, 13, 15, 16
Nepal 31
New Delhi conference 12, 15
New International Economic Order 20, 120, 132, 151, 192
Nixon doctrine 18
Nixon, US President 18
Non-aligned Conference 20
Non-aligned countries 102
Non-aligned movement (Summit), 68, 92, 119, 120, 123, 190, 192
Non-aligment 16, 95
North-South Dialogue 151, 192
North-South Mini summit 95

Ocean Sciences 118
OECD (Organisation of Economic Cooperation for Development) 5
Oil crisis 19
Oil prices 51
Organisation of American States (OAS) 6

Pakistan 31, 33, 34, 41, 42, 53, 60, 61, 68, 87, 188
Piracha, Riaz 40, 41, 124, 127
Planning 38, 110, 149
Political dimension of regionalism 4
Political unification 1, 3
Political will 68
Power disparity 57
Pradhan, Bishwa 88
Programme of action 98, 116, 132, 158
Psychological Barriers 95

Raja Jagdish S J B 80, 84, 131
Rao, Narsimha 33, 183, 199
Rapid development force (RDF) 53, 60, 103-105, 108, 109, 117

Rasgotra, M. 115, 119
Regional cooperation 77, 78, 93, 94, 95, 96, 98, 101
Regional Cooperation for Development (RCD) 6, 17, 20
Regional cooperation programme 135
Regional food security programme 50
Regional integration theory 1, 2, 3, 5
Regionalism 1, 2, 5, 57
Regionalism Transport Conference 18
Regional programme 62
Regional Security Convention 19
RIO Pact 6
River waters 50
Rural institutions building 145
Rural Sector 145

Salal Dam agreement 27
Sathe Ram 40
Sathe RD 81, 107, 112, 149
Saudi Arabia 34
Science and technology 110, 142 151
Scientific and technological co-operation 146, 155
Sea bed resources 50
SEATO 6, 17
Second Asian Relations Coference 12
Second generation of regionalism 7, 18, 19
Second World War 102
Sectoral Programme of Action 160
Sectoral Working groups 88
Segal, Aaron 70
Seventh Non-aligned summit 42
Shah of Iran 20, 22, 34
Shems ud Doha, A.R. 67, 87, 101, 199
Shipping 143, 144, 150
Simla agreement 20, 21
Simla Conference 16
Social and Cultural cooperation 12
Social cultural activities 51
Socio Economie development 110
Socio-economic forces 4
South Asia 10, 11
South Asian regionalism 26, 53, 182 ff.
South East Asia 4
South-South Cooperation 6
Soviet Asian summit 61
Soviet Military presence in Afg. 57, 61, 62
Sports and games 117
Sri Lanka 31, 53, 71
Sri Lanka race-riots 183
Sri Lanka working paper 139
Stabilisation of prices 110
Stage of consolidation 105
Standing Committee 88, 121, 197
Standing/Review Committee 36, 37, 159-60
Study and Working groups 45
Study groups 78, 79, 81, 82, 84, 85, 104, 112, 113, 117, 123, 128, 129, 133, 134, 137, 139, 149, 153
Sub committee on Asian and Pacific Affairs 62
Super Powers 5, 19, 95
SWRD Bandarnaike 12

Technical Committee 37, 122, 129, 158, 159, 161, 162, 196
Technical groups 110
Telecommunications 142, 149, 163
Thapa, Surya Bahadur 81
Third developmont decade 115
Third World 2, 5, 6, 7
Tourism 144, 150
Trade 117
Trade balance 46, 49
Trade relations 46
Transit treaties with Nepal 27
Transport 143, 150
Treaty of Peace and Friendship with Bangladesh 20
Treaty of Rome 125

UNCTAD 19, 68, 96, 151, 192
US 61, 62
US military aid to Pakistan 15, 33

Vance, Cyrus 33

Warsaw pact 5
WHO 124
WMO 125
Working groups 82, 85, 86, 104, 104, 105, 116, 120, 121, 133, 134, 156, 157, 158, 169, 164
World Bank 151

Yakulakhan, Shahzada 84, 97, 116

Zia ul Haq 22, 30, 31, 41, 71
Zia ur Rehman 22, 30, 34, 61, 68, 69, 77, 81, 98, 125, 137